

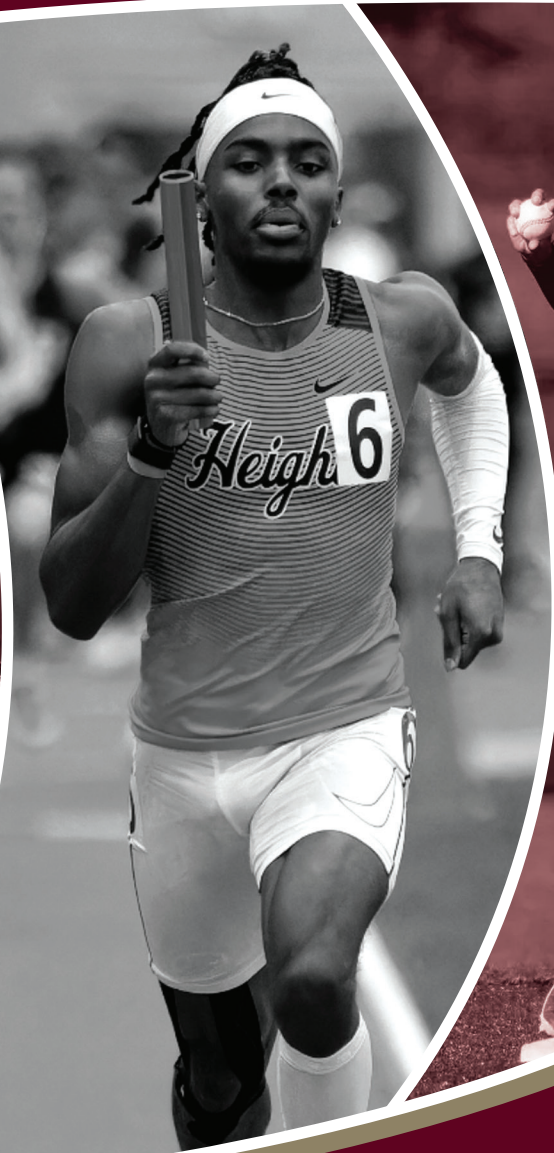


CLEVELAND
UNIVERSITY

HEIGHTS

CITY SCHOOL DISTRICT

UNIVERSITY HEIGHTS, OHIO



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

**Annual Comprehensive
Financial Report for the
Year Ended June 30, 2023**

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

Cleveland Heights-University Heights City School District

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2023

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Cleveland Heights-University Heights City School District

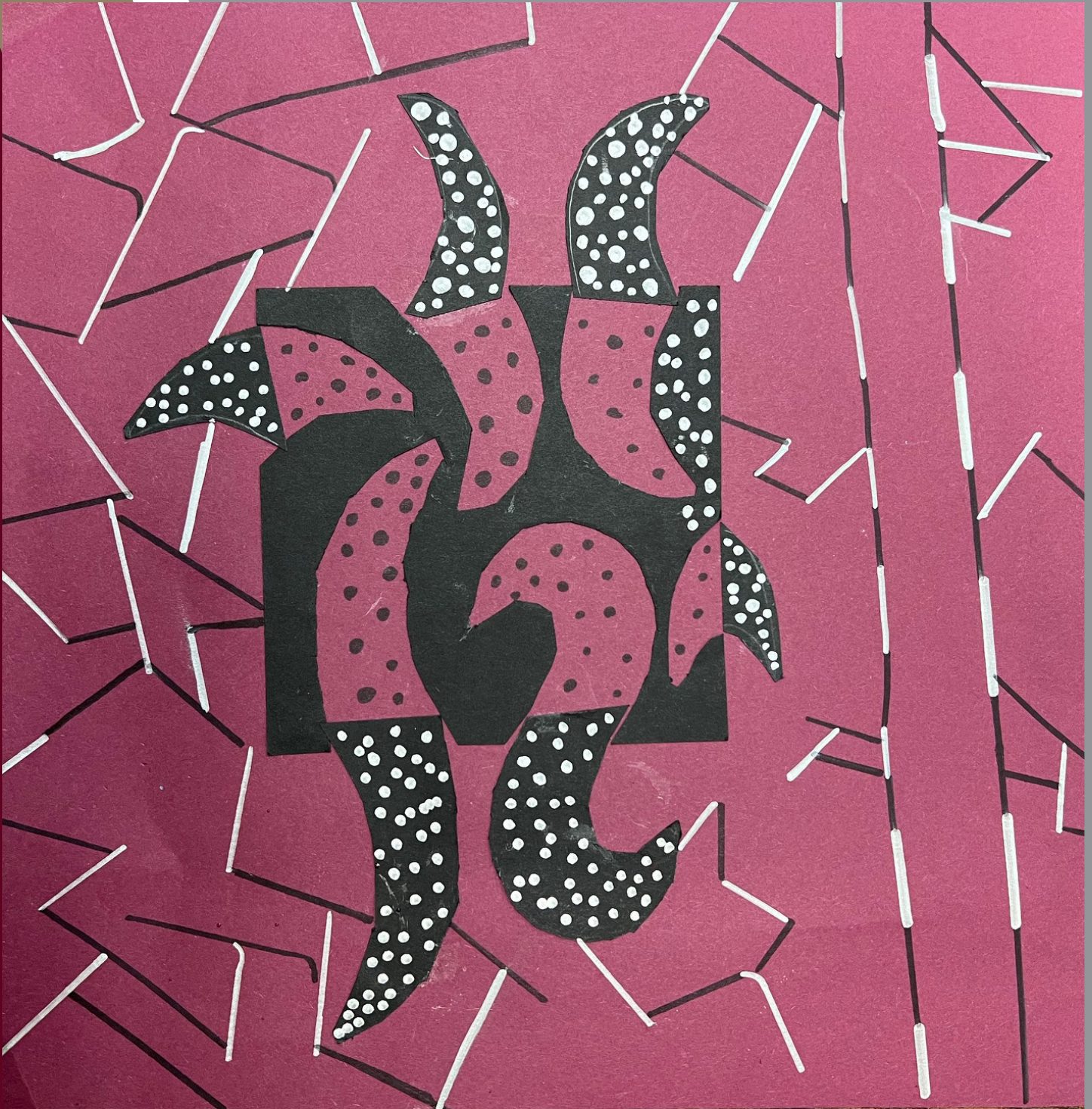
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CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

INTRODUCTORY SECTION



Angela Chapman
Gr 4 Canterbury Elementary School



A. Scott Gainer
Chief Financial Officer

January 30, 2024

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, 2023.

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.

Rea & Associates, Inc. has issued an unmodified (“clean”) opinion on the Cleveland Heights-University Heights City School District’s financial statements for the year ended June 30, 2023. 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 4,885 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 continued implementation of years 3 and 4 of the Fair School Funding Plan. 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 2014 school year was 4,923. Enrollment for the 2023 school year was 4,885. 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 \$4,211,120 at June 30, 2023 compared with a net position of \$6,048,774 at June 30, 2022. 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, 2027. 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, 2022.

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, 2023.

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, 2022. 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, 2022.**

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



**John W. Hutchison
President**

**Siobhán McMahon, CAE
Chief Operations Officer/
Interim 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, 2022

Christopher P. Morill

Executive Director/CEO

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

PRINCIPAL OFFICIALS

CHIEF FINANCIAL OFFICER

Mr. A. Scott Gainer

SUPERINTENDENT

Ms. Elizabeth Kirby

BOARD OF EDUCATION

Ms. Beverly Wright, President

Ms. Jodi Sourini, Vice President

Mr. Dan Heintz, Member

Ms. Malia Lewis, Member

Mr. James Posch, Member

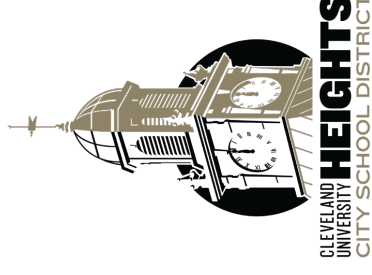
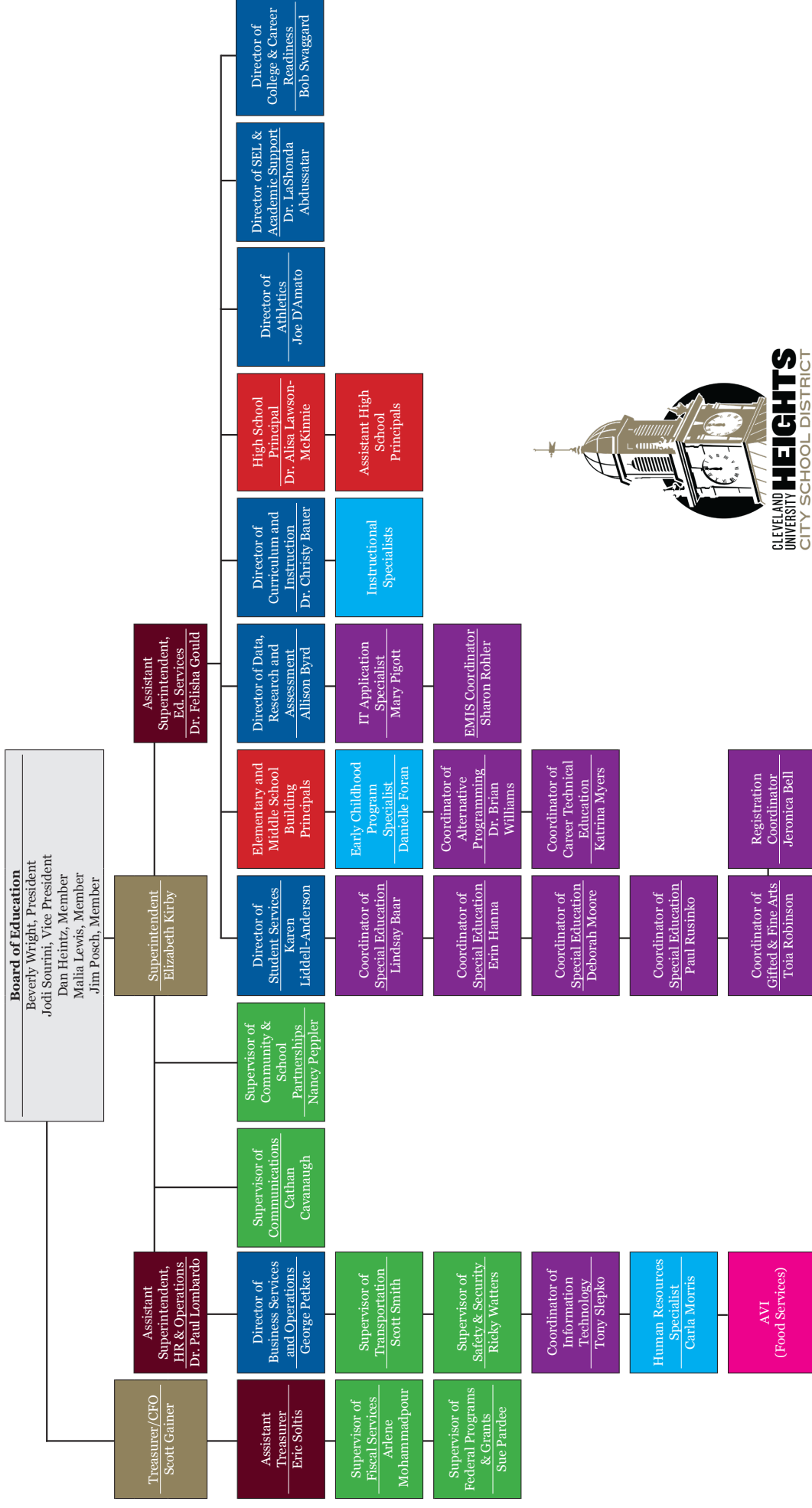


Nylah Starr

Gr 8 Roxboro Middle School

Cleveland Heights-University Heights City School District

Central Office Organizational Chart • 2022-2023



Independent Auditor's Report

To the Board of Education
Cleveland Heights – University Heights City School District
Cuyahoga County
2155 Miramar Boulevard
University heights, Ohio 44118

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each 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, 2023, 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, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023 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 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 (*Government Auditing Standards*). 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.

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 pension and other post-employment benefit schedules*, as listed in the table of contents, 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 GAAS, 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 an opinion on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 GAAS. In our opinion, the combining and individual 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 information included in the annual 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 have also issued our report dated January 30, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Rea & Associates, Inc.

Rea & Associates, Inc.
Independence, Ohio
January 30, 2024

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CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

FINANCIAL SECTION



Class Collaboration
Gr 5 Fairfax Elementary School

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2023

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, 2023. 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 2023 are as follows:

- The District implemented Governmental Accounting Standards Board (GASB) Statement No. 96 *Subscription-Based Information Technology Arrangements*. GASB Statement 96 establishes new requirements for subscription-based information technology arrangements. The implementation of this statement resulted in an increase of \$23,069 in governmental depreciable capital assets with an offsetting increase in governmental long-term liabilities as of June 30, 2022. See Note 2 for additional information.
- In total, net position increased \$8,824,109. Net position of governmental activities increased \$8,008,049 from 2022. Net position of business-type activities increased \$816,060 from 2022.
- For governmental activities, general revenues accounted for \$127,578,526, or 91% of all revenues. Program specific revenues in the form of charges for services and grants accounted for \$13,099,591 of total revenues of \$140,678,117.
- The District had \$132,666,468 in expenses related to governmental activities; only \$13,099,591 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 \$127,578,526 were able to provide for these programs resulting in an increase of net position from \$(30,955,677) to \$(22,947,628).
- The District had \$2,875,548 in expenses related to business-type activities. These expenses were offset by \$3,688,008 of program specific charges for services and grants. This resulted an increase of net position from \$3,091,176 to \$3,907,236.
- The District's major governmental funds is the General Fund. The General Fund had \$115,347,676 in revenues and other financing sources and \$107,936,411 in expenditures and other financing uses. The General Fund balance increased \$7,411,265, from \$32,086,550 to \$39,497,815.

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

BASIC FINANCIAL STATEMENTS



Ryleigh Crenshaw
Gr 3 Noble Elementary School

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2023

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, 2023

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, 2023

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 2023 and 2022.

Net Position

	Governmental Activities 2023	Business-Type Activities 2023	Restated Governmental Activities 2022	Business-Type Activities 2022
Assets:				
Current and other assets	\$ 170,524,702	\$ 3,450,285	\$ 168,411,703	\$ 3,019,826
Capital assets, net	<u>176,320,411</u>	<u>906,780</u>	<u>174,842,763</u>	<u>356,706</u>
Total assets	<u>346,845,113</u>	<u>4,357,065</u>	<u>343,254,466</u>	<u>3,376,532</u>
Deferred outflows of resources:				
Loss on refunding	12,584,893	-	13,031,917	-
Asset retirement obligation	22,576	-	24,116	-
Pension	25,176,682	-	24,114,166	-
OPEB	<u>2,185,860</u>	<u>-</u>	<u>2,444,338</u>	<u>-</u>
Total deferred inflows of resources	<u>39,970,011</u>	<u>-</u>	<u>39,614,537</u>	<u>-</u>
Liabilities:				
Current liabilities	15,340,215	449,829	16,242,764	285,356
Long-term liabilities:				
Due within one year	5,100,111	-	4,282,375	-
Due in more than one year	170,714,712	-	172,623,329	-
Net pension liability	104,610,563	-	63,621,498	-
Net OPEB liability	<u>5,840,428</u>	<u>-</u>	<u>7,663,925</u>	<u>-</u>
Total liabilities	<u>301,606,029</u>	<u>449,829</u>	<u>264,433,891</u>	<u>285,356</u>
Deferred inflows of resources:				
Property taxes	77,556,707	-	77,640,283	-
Payments in lieu of taxes	577,269	-	215,478	-
Pension	14,159,214	-	55,874,092	-
OPEB	15,598,135	-	15,303,467	-
Leases	<u>265,398</u>	<u>-</u>	<u>357,469</u>	<u>-</u>
Total deferred inflows of resources	<u>108,156,723</u>	<u>-</u>	<u>149,390,789</u>	<u>-</u>
Net position:				
Net investment in capital assets	25,621,992	874,057	22,072,438	319,470
Restricted	8,073,632	-	10,486,696	-
Unrestricted (deficit)	<u>(56,643,252)</u>	<u>3,033,179</u>	<u>(63,514,811)</u>	<u>2,771,706</u>
Total net position (deficit)	<u>\$ (22,947,628)</u>	<u>\$ 3,907,236</u>	<u>\$ (30,955,677)</u>	<u>\$ 3,091,176</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, 2023

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, 2023

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2023, the District's liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources by \$19,040,392. During fiscal year 2023, the District's net position increased \$8,824,109. 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, 2023, 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 construction in progress projects mainly relating to buildings and building improvements throughout the District. Total deferred outflows remained relatively consistent. Total liabilities increased due to an increase in STRS net pension liability. Total deferred inflows decreased primarily due to a decrease 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 \$25,621,992 for fiscal year 2023. Capital assets include land, construction in progress, buildings and improvements, furniture, fixtures and equipment vehicles, and right to use assets, 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, \$8,073,632, represents resources that are subject to external restrictions on how the funds may be used. Of the total restricted governmental activities net position, \$5,959,571 is restricted for capital projects and \$2,114,061 is restricted for other purposes. The remaining balance of governmental activities net position \$(56,643,252) 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, 2023

	Changes in Net Position			
	Governmental Activities 2023	Business-Type Activities 2023	Governmental Activities 2022	Business-Type Activities 2022
Revenues:				
Program revenues:				
Charges for services	\$ 3,996,335	\$ 182,460	\$ 3,749,187	\$ 131,698
Operating grants	8,641,471	3,505,548	6,213,893	3,761,591
Capital grants	461,785	-	-	-
Total program revenues	<u>13,099,591</u>	<u>3,688,008</u>	<u>9,963,080</u>	<u>3,893,289</u>
General revenues:				
Property taxes	94,162,956	-	97,720,030	-
Grants and entitlements	29,736,501	-	33,459,542	-
Investment earnings (loss)	1,911,160	-	(85,598)	-
Miscellaneous	1,767,909	-	1,331,938	-
Total general revenues	<u>127,578,526</u>	<u>-</u>	<u>132,425,912</u>	<u>-</u>
Total revenues	<u>140,678,117</u>	<u>3,688,008</u>	<u>142,388,992</u>	<u>3,893,289</u>
Program expenses:				
Instruction:				
Regular	43,369,760	-	36,339,780	-
Special	21,351,554	-	17,596,677	-
Vocational	1,897,770	-	1,596,514	-
Other	3,850,593	-	2,505,742	-
Support services:				
Pupil	9,182,312	-	7,326,541	-
Instructional staff	5,158,087	-	4,430,621	-
Board of education	1,204,859	-	763,759	-
Administration	7,758,977	-	6,311,989	-
Fiscal	3,758,991	-	3,275,601	-
Business	1,299,485	-	1,256,396	-
Operation and maintenance of plant	16,306,726	-	15,630,485	-
Pupil transportation	4,360,760	-	4,048,902	-
Central	3,793,899	-	3,314,088	-
Food service operations	5,339	-	5,988	-
Community services	2,039,397	-	1,776,631	-
Extracurricular activities	1,497,380	-	1,303,899	-
Interest and fiscal charges	5,830,579	-	4,683,950	-
Food services	-	2,862,993	-	1,728,153
Uniform school supplies	-	6,459	-	985
Customer services	-	6,096	-	3,797
Total program expenses	<u>132,666,468</u>	<u>2,875,548</u>	<u>112,167,563</u>	<u>1,732,935</u>
Change in net position before transfers	8,011,649	812,460	30,221,429	2,160,354
Transfers	<u>(3,600)</u>	<u>3,600</u>	<u>(1,191)</u>	<u>1,191</u>
Change in net position	8,008,049	816,060	30,220,238	2,161,545
Net position at beginning of year	<u>(30,955,677)</u>	<u>3,091,176</u>	<u>(61,175,915)</u>	<u>929,631</u>
Net position at end of year	\$ <u>(22,947,628)</u>	\$ <u>3,907,236</u>	\$ <u>(30,955,677)</u>	\$ <u>3,091,176</u>

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2023

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 2023 is \$8,237,785, while in 2022 pension expense was \$(4,385,644). The District was required to contribute \$10,026,114 and \$8,864,863 during 2023 and 2022, 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 2023 is \$(2,607,288), while in 2022 OPEB expense was \$(1,146,721). The District was required to contribute \$214,407 and \$199,917 during 2023 and 2022, 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 67% of total governmental activities revenues for the District in fiscal year 2023.

Operating grants and contributions increased due to changes in State funding. Capital grants increased mainly due to a grant for the construction of a Metro Health Clinic at Cleveland Heights High School. 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 increased approximately \$20 million, which was mainly due to an increase in total pension expense as noted above.

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 2023 and 2022. 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, 2023

Governmental Activities

	<u>Total Cost of</u> <u>Services 2023</u>	<u>Net Cost of</u> <u>Services 2023</u>	<u>Total Cost of</u> <u>Services 2022</u>	<u>Net Cost of</u> <u>Services 2022</u>
Program expenses:				
Instruction	\$ 70,469,677	\$ 59,079,868	\$ 58,038,713	\$ 49,241,408
Support services	52,824,096	52,467,722	46,358,382	46,025,995
Food service operations	5,339	5,339	5,988	5,988
Community services	2,039,397	822,335	1,776,631	1,033,575
Extracurricular activities	1,497,380	1,361,034	1,303,899	1,213,567
Interest and fiscal charges	<u>5,830,579</u>	<u>5,830,579</u>	<u>4,683,950</u>	<u>4,683,950</u>
Total program expenses	\$ <u>132,666,468</u>	\$ <u>119,566,877</u>	\$ <u>112,167,563</u>	\$ <u>102,204,483</u>

The dependence upon tax revenues during fiscal year 2023 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 \$3,691,608 and expenses of \$2,875,548 for fiscal year 2023. This resulted in an increase to net position for the fiscal year of \$816,060. This increase was primarily driven by intergovernmental grants revenues outpacing expenditures.

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 \$45,988,001, an increase of \$5,396,313 in comparison with the prior year. Of this total amount, \$33,145,810, 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, \$7,757,546; has already been assigned or committed, \$4,668,255; or is in a nonspendable form, \$416,390.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2023

The General Fund is the chief operating fund of the District. The District's General Fund balance increased by \$7,411,265 in fiscal year 2023.

<u>Revenues</u>	<u>2023 Amount</u>	<u>2022 Amount</u>	<u>Percentage Change</u>
Taxes	\$ 85,796,059	\$ 86,858,055	(1)%
Earnings (loss) on investments	1,859,605	(99,539)	1,968%
Intergovernmental	22,186,231	20,341,709	9%
Other revenue and financing sources	<u>5,505,781</u>	<u>4,752,052</u>	16%
Total	\$ <u>115,347,676</u>	\$ <u>111,852,277</u>	

Intergovernmental increased due to changes in foundation funding. Earnings on investments increased due to favorable market conditions. Other revenue and financing sources increased due an increase in miscellaneous revenues.

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

<u>Expenditures by Function</u>	<u>2023 Amount</u>	<u>2022 Amount</u>	<u>Percentage Change</u>
Instruction	\$ 61,556,251	\$ 57,223,173	8%
Support services	44,822,712	35,548,822	26%
Other non-instructional services	43,064	18,226	136%
Extracurricular activities	1,138,004	1,022,171	11%
Debt service	129,640	32,362	301%
Transfers - out	<u>246,740</u>	<u>240,483</u>	3%
Total	\$ <u>107,936,411</u>	\$ <u>94,085,237</u>	

Overall, expenses in the General Fund are up 15% from 2022. The main factors resulting in this fluctuation is an increase in instruction and support services during 2023 as personal services increased due to an increase in staffing and an increase in salaries.

The fund balance of the other governmental funds decreased from \$8,505,138 to \$6,490,186 during the year ended June 30, 2023. 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, 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, 2023

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 2023, 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 2023. For the General Fund, original budgeted revenues and other financing sources were \$194,807,568 and final budgeted revenues and other financing sources were \$107,529,998. Final budget differed from original budget mainly due to a decrease in tuition and fees and intergovernmental revenues. Actual revenues and other financing sources for fiscal year 2023 were \$114,277,167. Actual differed from the final budget mainly due to higher than anticipated collection of taxes. General Fund original appropriations and other financing uses were \$109,040,006 and final appropriations and other financing uses were \$115,635,013. Final budget differed from original budget mainly due to an increase in costs associated with instruction expenditures. The actual expenditures and other financing uses for fiscal year 2023 totaled \$112,508,561, which was \$3,126,452 less than the final budget appropriations. Actual differed from final budget due to lower costs associated with instruction expenditures.

Capital Assets

The District had \$177,227,191 invested in capital assets net of depreciation, with \$176,320,411 attributed to government activities. Net acquisition for governmental activities totaled \$7,180,063 and depreciation/amortization was \$5,702,415. 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, 2023, the District has \$150,376,413 in outstanding long-term bond debt and of this amount \$2,480,000 is due within one year. The District paid \$1,413,732 in principal on bonds outstanding. The District also has \$17,484,653 of certificates of participation outstanding at June 30, 2023 and none of this amount is due within one year. 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, 2023

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 and will be phased in over 6 years.

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.

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio



Lukas Bickel
Gr 1 Fairfax Elementary School

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CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio



Riley Turner
Gr 4 Noble Elementary School

Cleveland Heights-University Heights City School District

Statement of Net Position

June 30, 2023

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
Assets:			
Equity in pooled cash and investments	\$ 52,649,548	\$ 3,327,369	\$ 55,976,917
Accounts receivable	342,425	-	342,425
Prepaid items	140,945	-	140,945
Intergovernmental receivable	2,932,072	92,088	3,024,160
Materials and supplies inventory	275,445	8,594	284,039
Inventory held for resale	-	22,234	22,234
Taxes receivable	104,385,435	-	104,385,435
Lease receivable	263,392	-	263,392
Net OPEB asset	9,535,440	-	9,535,440
Nondepreciable capital assets	7,197,997	625,834	7,823,831
Depreciable capital assets, net	169,122,414	280,946	169,403,360
Total assets	346,845,113	4,357,065	351,202,178
Deferred outflows of resources:			
Deferred loss on refunding	12,584,893	-	12,584,893
Asset retirement obligation	22,576	-	22,576
Pension	25,176,682	-	25,176,682
OPEB	2,185,860	-	2,185,860
Total deferred outflows of resources	39,970,011	-	39,970,011
Liabilities:			
Accounts payable	3,505,509	449,829	3,955,338
Accrued wages and benefits	6,046,850	-	6,046,850
Matured compensated absences	252,790	-	252,790
Unearned revenues	523,392	-	523,392
Intergovernmental payable	1,875,930	-	1,875,930
Accrued interest payable	407,644	-	407,644
Claims payable	2,728,100	-	2,728,100
Long-term liabilities:			
Due within one year	5,100,111	-	5,100,111
Due in more than one year:			
Net pension liability	104,610,563	-	104,610,563
Net OPEB liability	5,840,428	-	5,840,428
Other amounts due in more than one year	170,714,712	-	170,714,712
Total liabilities	301,606,029	449,829	302,055,858

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, 2023

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
Deferred inflows of resources:			
Property taxes	77,556,707	-	77,556,707
Payments in lieu of taxes	577,269	-	577,269
Pension	14,159,214	-	14,159,214
OPEB	15,598,135	-	15,598,135
Leases	265,398	-	265,398
Total deferred inflows of resources	108,156,723	-	108,156,723
Net position:			
Net investment in capital assets	25,621,992	874,057	26,496,049
Restricted for:			
STRS OPEB	1,737,511	-	1,737,511
Capital projects	5,959,571	-	5,959,571
State programs	169,468	-	169,468
Other	207,082	-	207,082
Unrestricted (deficit)	(56,643,252)	3,033,179	(53,610,073)
Total net position (deficit)	\$ (22,947,628)	\$ 3,907,236	\$ (19,040,392)

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, 2023

	Charges for Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Instruction:				
Regular	\$ 43,369,760	\$ 1,702,227	\$ 2,066,223	\$ -
Special	21,351,554	2,043,661	5,096,717	-
Vocational	1,897,770	15,530	465,451	-
Other	3,850,593	-	-	-
Support services:				
Pupil	9,182,312	-	186,176	-
Instructional staff	5,158,087	-	71,627	-
Board of education	1,204,859	-	-	-
Administration	7,758,977	98,571	-	-
Fiscal	3,758,991	-	-	-
Business	1,299,485	-	-	-
Operations and maintenance of plant	16,306,726	-	-	-
Pupil transportation	4,360,760	-	-	-
Central	3,793,899	-	-	-
Operation of non-instructional services:				
Food service operations	5,339	-	-	-
Community services	2,039,397	-	755,277	461,785
Extracurricular activities	1,497,380	136,346	-	-
Interest and fiscal charges	5,830,579	-	-	-
Total governmental activities	<u>132,666,468</u>	<u>3,996,335</u>	<u>8,641,471</u>	<u>461,785</u>
Business-type activities:				
Food services	2,862,993	174,203	3,505,548	-
Uniform school supplies	6,459	5,466	-	-
Customer services	6,096	2,791	-	-
Total business-type activities	<u>2,875,548</u>	<u>182,460</u>	<u>3,505,548</u>	<u>-</u>
Totals	<u>\$ 135,542,016</u>	<u>\$ 4,178,795</u>	<u>\$ 12,147,019</u>	<u>\$ 461,785</u>

General revenues:

 Property taxes levied for:

 General purposes

 Debt service

 Capital projects

 Grant and entitlements not restricted to specific programs

 Earnings on investments

 Miscellaneous

 Total general revenues

 Transfers

 Total general revenues and transfers

 Change in net position

 Net position (deficit) at beginning of year

 Net position (deficit) at end of year

The accompanying notes are an integral part of these financial statements

Net (Expense) Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (39,601,310)	\$ -	\$ (39,601,310)
(14,211,176)	-	(14,211,176)
(1,416,789)	-	(1,416,789)
(3,850,593)	-	(3,850,593)
(8,996,136)	-	(8,996,136)
(5,086,460)	-	(5,086,460)
(1,204,859)	-	(1,204,859)
(7,660,406)	-	(7,660,406)
(3,758,991)	-	(3,758,991)
(1,299,485)	-	(1,299,485)
(16,306,726)	-	(16,306,726)
(4,360,760)	-	(4,360,760)
(3,793,899)	-	(3,793,899)
(5,339)	-	(5,339)
(822,335)	-	(822,335)
(1,361,034)	-	(1,361,034)
(5,830,579)	-	(5,830,579)
(119,566,877)	-	(119,566,877)
-	816,758	816,758
-	(993)	(993)
-	(3,305)	(3,305)
-	812,460	812,460
(119,566,877)	812,460	(118,754,417)
83,633,789	-	83,633,789
7,168,182	-	7,168,182
3,360,985	-	3,360,985
29,736,501	-	29,736,501
1,911,160	-	1,911,160
1,767,909	-	1,767,909
127,578,526	-	127,578,526
(3,600)	3,600	-
127,574,926	3,600	127,578,526
8,008,049	816,060	8,824,109
(30,955,677)	3,091,176	(27,864,501)
\$ (22,947,628)	\$ 3,907,236	\$ (19,040,392)

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Balance Sheet – Governmental Funds

June 30, 2023

	General	Non-major Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 37,070,364	\$ 8,639,964	\$ 45,710,328
Accounts receivable	178,263	164,162	342,425
Intergovernmental receivable	1,959,041	973,031	2,932,072
Interfund receivable	1,388,020	-	1,388,020
Materials and supplies inventory	275,445	-	275,445
Prepaid items	140,945	-	140,945
Taxes receivable	93,989,945	10,395,490	104,385,435
Lease receivable	263,392	-	263,392
Total assets	<u>\$ 135,265,415</u>	<u>\$ 20,172,647</u>	<u>\$ 155,438,062</u>
Liabilities, deferred inflows of resources and fund balances:			
Liabilities:			
Accounts payable	\$ 1,955,734	\$ 1,549,775	\$ 3,505,509
Accrued wages and benefits	5,430,195	616,655	6,046,850
Unearned revenues	-	523,392	523,392
Interfund payable	-	1,388,020	1,388,020
Matured compensated absences	252,790	-	252,790
Intergovernmental payable	1,715,414	160,516	1,875,930
Total liabilities	<u>9,354,133</u>	<u>4,238,358</u>	<u>13,592,491</u>
Deferred inflows of resources:			
Property taxes	69,722,838	7,833,869	77,556,707
Payments in lieu of taxes	577,269	-	577,269
Unavailable revenue	15,847,962	1,610,234	17,458,196
Leases	265,398	-	265,398
Total deferred inflows of resources	<u>86,413,467</u>	<u>9,444,103</u>	<u>95,857,570</u>
Fund balances:			
Nonspendable	416,390	-	416,390
Restricted	-	7,757,546	7,757,546
Committed	266,750	-	266,750
Assigned	4,401,505	-	4,401,505
Unassigned (deficit)	34,413,170	(1,267,360)	33,145,810
Total fund balances	<u>39,497,815</u>	<u>6,490,186</u>	<u>45,988,001</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 135,265,415</u>	<u>\$ 20,172,647</u>	<u>\$ 155,438,062</u>

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, 2023

Total governmental funds balances	\$	45,988,001	
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.			176,320,411
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	\$	17,379,616	
Intergovernmental		9,765	
Investment earnings		68,815	
Total			17,458,196
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.			4,211,120
In the government-wide financial statements, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.			(407,644)
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		9,535,440	
Deferred outflows – pension		25,176,682	
Deferred inflows – pension		(14,159,214)	
Net pension liability		(104,610,563)	
Deferred outflows – OPEB		2,185,860	
Deferred inflows – OPEB		(15,598,135)	
Net OPEB liability		(5,840,428)	
Total			(103,310,358)
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.			
Library improvement refunding bonds		(2,125,000)	
Certificates of participation		(14,660,000)	
General obligation school improvement bonds		(130,508,711)	
CABs		(3,230,128)	
Deferred charge on refunding		12,584,893	
Unamortized charges – premium		(17,337,227)	
Asset retirement obligation, net		(22,576)	
Financed purchase		(24,460)	
Subscription payable		(11,748)	
Early retirement incentive		(84,000)	
Compensated absences		(7,788,397)	
Total			(163,207,354)
Net position of governmental activities	\$		(22,947,628)

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, 2023

	General	Non-major Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ 85,796,059	\$ 10,635,382	\$ 96,431,441
Intergovernmental	22,186,231	16,452,007	38,638,238
Grants	-	340,470	340,470
Tuition and fees	3,717,483	-	3,717,483
Earnings on investments	1,859,605	6,061	1,865,666
Extracurricular activities	36,476	193,310	229,786
Classroom materials and fees	1,939	-	1,939
Miscellaneous	1,664,878	69,666	1,734,544
Total revenues	<u>115,262,671</u>	<u>27,696,896</u>	<u>142,959,567</u>
Expenditures:			
Current:			
Instruction:			
Regular	39,496,118	4,184,115	43,680,233
Special	18,889,302	2,709,349	21,598,651
Vocational	1,727,050	175,783	1,902,833
Other	1,443,781	2,407,921	3,851,702
Support services:			
Pupil	8,476,812	983,288	9,460,100
Instructional staff	4,010,927	1,277,879	5,288,806
Board of education	1,207,671	-	1,207,671
Administration	6,963,449	1,021,516	7,984,965
Fiscal	3,559,066	309,760	3,868,826
Business	1,296,276	-	1,296,276
Operations and maintenance of plant	11,143,584	7,042,224	18,185,808
Pupil transportation	4,508,463	43,468	4,551,931
Central	3,656,464	294,508	3,950,972
Operation of non-instructional services:			
Community services	43,064	2,468,312	2,511,376
Extracurricular activities	1,138,004	428,033	1,566,037
Debt service:			
Principal	126,796	1,413,732	1,540,528
Interest and fiscal charges	2,844	5,195,100	5,197,944
Total expenditures	<u>107,689,671</u>	<u>29,954,988</u>	<u>137,644,659</u>
Excess of revenues over (under) expenditures	<u>7,573,000</u>	<u>(2,258,092)</u>	<u>5,314,908</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, 2023

	General	Non-major Governmental Funds	Total Governmental Funds
Other financing sources (uses):			
Transfers – in	-	243,140	243,140
Transfers – out	(246,740)	-	(246,740)
Subscription agreement	85,005	-	85,005
Total other financing (uses) sources	<u>(161,735)</u>	<u>243,140</u>	<u>81,405</u>
Net change in fund balance	7,411,265	(2,014,952)	5,396,313
Fund balance at beginning of year	<u>32,086,550</u>	<u>8,505,138</u>	<u>40,591,688</u>
Fund balance at end of year	<u>\$ 39,497,815</u>	<u>\$ 6,490,186</u>	<u>\$ 45,988,001</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, 2023

Net change in fund balances – total governmental funds	\$	5,396,313
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays and depreciation differed in the current period.

Capital outlay	\$	7,180,063	
Depreciation		<u>(5,702,415)</u>	
Total			1,477,648

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	(2,268,485)	
Investment earnings	45,494	
Intergovernmental	<u>(58,459)</u>	
Total		(2,281,450)

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	1,413,732	
Retirement of accretion on capital appreciation bonds	296,268	
Subscription payable	96,326	
Financed purchase	<u>30,470</u>	
Total		1,836,796

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.	(1,837,654)
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Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position.

Subscription payable	(85,005)
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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, 2023

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	(164,876)	
Early retirement incentive	(12,000)	
Amortization of premium	668,235	
Amortization of deferred loss on refunding	(447,024)	
Accretion on capital appreciation bonds	(1,150,965)	
Asset retirement obligation	(2,844)	
Interest expense	851	
Total		(1,108,623)

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

Pension	10,026,114	
OPEB	214,407	
Total		10,240,521

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	(8,237,785)	
OPEB	2,607,288	
Total		(5,630,497)

Change in net position of governmental activities	\$	<u>8,008,049</u>
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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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 83,516,901	\$ 79,210,828	\$ 85,610,091	\$ 6,399,263
Intergovernmental	83,797,124	21,300,664	21,592,846	292,182
Tuition and fees	14,606,556	3,712,888	3,763,818	50,930
Earnings on investments	7,510,361	1,909,083	1,935,270	26,187
Miscellaneous	4,575,084	1,162,956	1,096,630	(66,326)
Total revenues	<u>194,006,026</u>	<u>107,296,419</u>	<u>113,998,655</u>	<u>6,702,236</u>
Expenditures:				
Current:				
Instruction:				
Regular	40,837,196	43,308,039	40,935,366	2,372,673
Special	18,726,629	19,859,677	19,794,708	64,969
Vocational	1,813,167	1,922,874	1,906,943	15,931
Other	1,365,327	1,447,939	1,418,504	29,435
Support services:				
Pupil	8,166,751	8,660,873	8,627,738	33,135
Instructional staff	3,958,871	4,198,400	4,179,728	18,672
Board of education	1,335,743	1,416,562	1,393,494	23,068
Administration	6,678,652	7,082,740	7,026,358	56,382
Fiscal	3,434,452	3,642,250	3,605,704	36,546
Business	1,276,293	1,353,512	1,339,280	14,232
Operation and maintenance of plant	11,172,411	11,848,395	11,574,312	274,083
Pupil transportation	4,524,773	4,796,125	4,670,434	125,691
Central	4,160,381	4,412,101	4,363,061	49,040
Operation of non-instructional services:				
Community services	45,067	47,793	44,859	2,934
Extracurricular activities:				
Academic and subject oriented	208,116	220,711	219,049	1,662
Occupational oriented	5	6	6	-
Sports oriented	805,678	854,425	850,388	4,037
Co-curricular activities	60,879	64,562	61,062	3,500
Total expenditures	<u>108,570,391</u>	<u>115,136,984</u>	<u>112,010,994</u>	<u>3,125,990</u>
Excess of revenues (under) over expenditures	<u>85,435,635</u>	<u>(7,840,565)</u>	<u>1,987,661</u>	<u>9,828,226</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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing sources (uses):				
Insurance proceeds	9,846	2,503	2,537	34
Transfers – in	40,000	40,000	82,278	42,278
Transfers – out	(232,935)	(247,029)	(246,740)	289
Advances – in	751,696	191,076	193,697	2,621
Advances – out	(236,680)	(251,000)	(250,827)	173
Total other financing sources (uses)	<u>331,927</u>	<u>(264,450)</u>	<u>(219,055)</u>	<u>45,395</u>
Net change in fund balance	85,767,562	(8,105,015)	1,768,606	9,873,621
Fund balance at beginning of year	29,917,945	29,917,945	29,917,945	-
Prior year encumbrances appropriated	<u>3,595,010</u>	<u>3,595,010</u>	<u>3,595,010</u>	<u>-</u>
Fund balance at end of year	<u>\$ 119,280,517</u>	<u>\$ 25,407,940</u>	<u>\$ 35,281,561</u>	<u>\$ 9,873,621</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, 2023

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Services Funds
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 3,327,369	\$ 6,939,220
Intergovernmental receivable	92,088	-
Materials and supplies inventory	8,594	-
Inventory held for resale	22,234	-
Total current assets	<u>3,450,285</u>	<u>6,939,220</u>
Non-current assets:		
Nondepreciable capital assets	625,834	-
Depreciable capital assets, net	<u>280,946</u>	<u>-</u>
Total non-current assets	<u>906,780</u>	<u>-</u>
Total assets	<u>4,357,065</u>	<u>6,939,220</u>
Liabilities:		
Current liabilities:		
Accounts payable	449,829	-
Claims payable	<u>-</u>	<u>2,728,100</u>
Total liabilities	<u>449,829</u>	<u>2,728,100</u>
Net position:		
Net investment in capital assets	874,057	-
Unrestricted	<u>3,033,179</u>	<u>4,211,120</u>
Total net position	<u>\$ 3,907,236</u>	<u>\$ 4,211,120</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, 2023

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Services Funds
Operating revenues:		
Charges for services	\$ -	\$ 19,470,592
Classroom materials and fees	5,466	-
Food services	173,101	-
Miscellaneous	3,893	-
Total operating revenues	<u>182,460</u>	<u>19,470,592</u>
Operating expenses:		
Fringe benefits	-	21,296,051
Purchased services	2,543,786	12,195
Supplies and materials	291,698	-
Depreciation	38,489	-
Other	1,575	-
Total operating expenses	<u>2,875,548</u>	<u>21,308,246</u>
Operating loss	<u>(2,693,088)</u>	<u>(1,837,654)</u>
Non-operating revenues:		
Federal donated commodities	288,168	-
Intergovernmental grants	3,217,380	-
Total non-operating revenues	<u>3,505,548</u>	<u>-</u>
Change in net position before transfers	812,460	(1,837,654)
Transfers – in	<u>3,600</u>	<u>-</u>
Change in net position	816,060	(1,837,654)
Total net position at beginning of year	<u>3,091,176</u>	<u>6,048,774</u>
Total net position at end of year	<u>\$ 3,907,236</u>	<u>\$ 4,211,120</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, 2023

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Services Funds
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Cash received from customers	\$ 173,450	\$ 19,470,592
Cash received from other operating sources	3,893	-
Cash payments for materials and supplies	(6,266)	-
Cash payments for goods and services	(2,376,291)	(12,195)
Cash payments for claims	-	(20,933,973)
Cash payments for other	(39)	-
Net cash used by operating activities	<u>(2,205,253)</u>	<u>(1,475,576)</u>
Cash flows from non-capital financing activities:		
Intergovernmental grants received	3,238,356	-
Transfers – in	3,600	-
Net cash provided by noncapital financing activities	<u>3,241,956</u>	<u>-</u>
Cash flows from capital financing activities:		
Acquisition of capital assets	<u>(593,076)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	443,627	(1,475,576)
Cash and cash equivalents at beginning of year	<u>2,883,742</u>	<u>8,414,796</u>
Cash and cash equivalents at end of year	<u>\$ 3,327,369</u>	<u>\$ 6,939,220</u>
Non-cash capital and non-capital financing activities:		
Federal donated commodities	\$ 288,168	\$ -
Capital assets purchased on credit	32,723	-

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, 2023

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Services Funds
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	\$ (2,693,088)	\$ (1,837,654)
Adjustments:		
Depreciation	38,489	-
Federal donated commodities	288,168	-
Changes in assets/liabilities:		
Intergovernmental receivable	(5,117)	-
Prepaid items	45	-
Materials and supplies inventories	(196)	-
Inventory held for resale	(2,540)	-
Accounts payable	169,049	-
Accrued wages and benefits	-	(1,522)
Intergovernmental payable	(63)	-
Claims payable	-	363,600
Total adjustments	<u>487,835</u>	<u>362,078</u>
Net cash used by operating activities	<u>\$ (2,205,253)</u>	<u>\$ (1,475,576)</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, 2023

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 twelve instructional/support facilities staffed by 374 classified employees, 552 certificated full-time teaching personnel, 62 non-certified coaches, and approximately 46 administrators who provide services to 4,885 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, 2023

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 is the District's major governmental fund:

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, 2023

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. Statements are not presented, as the fund had no activity in the current fiscal year.

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, 2023

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, 2023

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 has unearned revenues, related to miscellaneous federal grant revenues at June 30, 2023.

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, 2023, but which were levied to finance fiscal year 2024 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, 2023

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 2023, investments were limited to 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, 2023

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 2023, 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. Interest revenue credited to the General Fund during fiscal year 2023 amounted to \$1,859,605. The amount allocated from the other funds during fiscal year 2023 amounted to \$680,784.

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, 2023, 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, 2023

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	Business-Type Activities
	Estimated Lives	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	8 years

The District is reporting intangible right to use assets related to subscription-based information technology arrangements (SBITA). These intangible assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

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."

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, 2023

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.

The District recognizes SBITAs contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$20,000 that meet the definition of another than short-term lease. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 1: Summary of Significant Accounting Policies (continued)

M. Fund Balance (continued)

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.

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 1: Summary of Significant Accounting Policies (continued)

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, 2023, the District did not have net position restricted by enabling legislation.

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, miscellaneous items 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 2023, the District implemented the following Governmental Accounting Standards issued by the Governmental Accounting Standards Board (GASB):

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 2: Change in Accounting Principles (continued)

Newly Adopted Accounting Pronouncements (continued)

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 implementation of this GASB pronouncement did not result in any changes to the District's financial statements.

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 implementation of this GASB pronouncement did not result in any changes to the District's financial statements.

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. These changes were incorporated in the District's fiscal year 2023 financial statements. As a result of the implementation of this standard, effective July 1, 2022, the District recorded a right-to-use subscription asset of \$23,069 with an offsetting subscription liability of \$23,069.

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 implementation of this GASB pronouncement did not result in any changes to the District's financial statements.

GASB Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—An Amendment of GASB Statements No. 14 AND NO. 84, and a Supersession of GASB Statement No. 32*, was issued in June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of this GASB pronouncement did not result in any changes to the District's financial statements.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 2: Change in Accounting Principles (continued)

Newly Issued Accounting Pronouncements, Not Yet Adopted

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.

GASB Statement No. 101, *Compensated Absences*, was issued in June 2022. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The effective date of this standard to reporting periods beginning after December 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, 2023

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	\$ 7,411,265
Revenue accruals	(1,165,886)
Advances – in	193,697
Expenditure accruals	(1,189,660)
Advances – out	(250,827)
Encumbrances	(3,240,400)
To reclassify the net change in fund balance for funds combined with the General Fund	<u>10,417</u>
Budget basis	\$ <u><u>1,768,606</u></u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

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:

<u>Fund</u>	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:			
Inventory	\$ 275,445	\$ -	\$ 275,445
Prepays	<u>140,945</u>	<u>-</u>	<u>140,945</u>
Total nonspendable	<u>416,390</u>	<u>-</u>	<u>416,390</u>
Restricted for:			
Student activities	-	207,082	207,082
Auxiliary services	-	142,841	142,841
Miscellaneous grants	-	26,627	26,627
Debt service payments	-	2,740,629	2,740,629
Capital improvements	<u>-</u>	<u>4,640,367</u>	<u>4,640,367</u>
Total restricted	<u>-</u>	<u>7,757,546</u>	<u>7,757,546</u>
Committed to:			
Purchases on order:			
Instruction services and supplies	161,758	-	161,758
Maintenance services and supplies	86,330	-	86,330
Other	16,662	-	16,662
Transportation costs	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total committed	<u>266,750</u>	<u>-</u>	<u>266,750</u>
Assigned to:			
Public school support	200,038	-	200,038
Subsequent year's budget	2,310,000	-	2,310,000
Purchases on order:			
Instruction services and supplies	379,995	-	379,995
Maintenance services and supplies	655,960	-	655,960
Athletics	27,267	-	27,267
Transportation costs	77,360	-	77,360
Utilities	30,838	-	30,838
Other	<u>720,047</u>	<u>-</u>	<u>720,047</u>
Total assigned	<u>4,401,505</u>	<u>-</u>	<u>4,401,505</u>
Unassigned (deficit)	<u>34,413,170</u>	<u>(1,267,360)</u>	<u>33,145,810</u>
Total	\$ <u>39,497,815</u>	\$ <u>6,490,186</u>	\$ <u>45,988,001</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

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, 2023

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 \$4,128,402. At year-end \$1,565,641 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, 2023

Note 5: Deposits and Investments (continued)

Investments

Investments are reported at fair value. As of June 30, 2023, the District had the following investments:

	Fair Value	Less Than 1 Year	1-5 Years
US Treasury Note	\$ 9,769,310	\$ 4,553,115	\$ 5,216,195
Federal Farm Credit Bank (FFCB)	894,298	165,595	728,703
Federal Home Loan Bank notes (FHLBN)	1,184,653	459,862	724,791
Federal Home Loan Bank bonds (FHLBB)	6,594,177	2,419,882	4,174,295
Federal National Mortgage Association (FNMA)	97,633	97,633	-
Federal Home Loan Mortgage Corporation (FHLMC)	1,556,170	-	1,556,170
Federal Home Loan notes	384,411	-	384,411
Negotiable certificates of deposits	4,806,656	2,307,691	2,498,965
STAR Ohio	28,515,813	28,515,813	-
Total portfolio	\$ 53,803,121	\$ 38,519,591	\$ 15,283,530

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, 2023:

- STAR Ohio is measured at amortized cost, which approximates fair value. At June 30, 2023, the average days to maturity was 38.5 days.
- All federal bond and notes 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.

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, 2023

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 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, 2023:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
US Treasury Note	18.2%
Federal Farm Credit Bank	1.7
Federal Home Loan Bank notes	2.2
Federal Home Loan Bank bonds	12.3
Federal National Mortgage Association	0.1
Federal Home Loan Mortgage Corporation	2.9
Federal Home Loan notes	0.7
Negotiable certificates of deposits	8.9
STAR Ohio	53.0

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 2023 represents collections of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed value listed as of January 1, 2022, 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 2023 represents collections of calendar year 2022 taxes. Public utility real and tangible personal property taxes received in calendar year 2022 became a lien December 31, 2021, were levied after April 1, 2022 and are collected in 2023 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, 2023

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, 2023, are available to finance fiscal year 2023 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, 2023 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, 2023 was \$8,387,960 for the General Fund, \$586,288 in the Bond Retirement Fund, and \$374,864 in the Permanent Improvement Fund.

The assessed values upon which the fiscal year 2023 taxes were collected are:

	2022		2023	
	Second-Half Collections		First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/residential and other real estate	\$ 1,209,684,220	97.60%	\$ 1,225,943,670	97.34%
Public utility	29,796,480	2.40	33,500,580	2.66
	<u>\$ 1,239,480,700</u>	<u>100.00%</u>	<u>\$ 1,259,444,250</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation		\$ 158.30		\$ 159.80

Note 7: Interfund Transactions

Interfund Balances

Interfund transactions for the year ended June 30, 2023 consisted of the following:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 1,388,020

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, 2023, 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, 2023

Note 7: Interfund Transactions (continued)

Interfund Transfers

Interfund transfers for the year ended June 30, 2023, consisted of the following:

	<u>Transfers – out</u>
	<u>General</u>
Transfers – in:	
Nonmajor governmental	\$ 243,140
Nonmajor enterprise	<u>3,600</u>
Total	<u>\$ 246,740</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

The District recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$20,000 that meet the definition of another than short-term lease. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease receipts and variable lease receipts not included in the measurement of the lease receivable are recognized as income when earned.

Receivables at June 30, 2023, 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 agreements for cell towers with cellular companies at varying years and terms. A summary of future lease payments is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2024	\$ 88,308	\$ 9,318	\$ 97,626
2025	92,059	5,567	97,626
2026	66,605	2,163	68,768
2027	<u>16,420</u>	<u>115</u>	<u>16,535</u>
Total	<u>\$ 263,392</u>	<u>\$ 17,163</u>	<u>\$ 280,555</u>

For fiscal year 2023, the District recognized lease revenue of \$92,071 and interest revenue of \$12,937 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, 2023

Note 8: Receivables (continued)

Intergovernmental receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental activities:	
Tuition	\$ 836,964
BWC Refund	93,927
Medicaid	450,881
ESSER	526,264
21 st CCLC	28,926
IDEA early childhood special education	2,975
Early Childhood Education	15,214
School Based Health Capital	9,765
City of Cleveland Heights	75,327
City of South Euclid	501,942
Special education cluster	108,277
Carl D. Perkins grant	32,188
Title I grant	1,276
Title I-A grant	175,526
Title II-A grant	44,601
Title IV grant	<u>28,019</u>
	2,932,072
Business-type activities:	
Department of Education	86,971
Food Service	<u>5,117</u>
	<u>92,088</u>
 Total intergovernmental receivable	 \$ <u><u>3,024,160</u></u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 9: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Restated Balance at 7/1/22	Additions	Disposals	Balance at 6/30/23
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,644,238	\$ -	\$ -	\$ 1,644,238
Construction in progress	<u>3,358,535</u>	<u>6,653,484</u>	<u>(4,458,260)</u>	<u>5,553,759</u>
Total capital assets, not being depreciated	<u>5,002,773</u>	<u>6,653,484</u>	<u>(4,458,260)</u>	<u>7,197,997</u>
Capital assets, being depreciated:				
Land improvements	7,335,727	322,796	-	7,658,523
Buildings and improvements	208,073,695	3,274,509	-	211,348,204
Furniture and equipment	8,600,466	1,302,529	-	9,902,995
Vehicles	<u>5,583,194</u>	<u>-</u>	<u>(27,002)</u>	<u>5,556,192</u>
Total capital assets, being depreciated	<u>229,593,082</u>	<u>4,899,834</u>	<u>(27,002)</u>	<u>234,465,914</u>
Less accumulated depreciation:				
Land improvements	(4,562,582)	(275,696)	-	(4,838,278)
Buildings and improvements	(43,465,955)	(4,846,888)	-	(48,312,843)
Furniture and equipment	(7,595,844)	(231,558)	-	(7,827,402)
Vehicles	<u>(4,151,780)</u>	<u>(326,008)</u>	<u>27,002</u>	<u>(4,450,786)</u>
Total accumulated depreciation	<u>(59,776,161)</u>	<u>(5,680,150)</u>	<u>27,002</u>	<u>(65,429,309)</u>
Capital assets being depreciated, net	<u>169,816,921</u>	<u>(780,316)</u>	<u>-</u>	<u>169,036,605</u>
Subscriptions:				
Right to use asset - subscriptions	23,069	85,005	-	108,074
Less accumulated amortization:				
Right to use asset - subscriptions	<u>-</u>	<u>(22,265)</u>	<u>-</u>	<u>(22,265)</u>
Subscriptions, net	<u>23,069</u>	<u>62,740</u>	<u>-</u>	<u>85,809</u>
Governmental activities capital assets, net	\$ <u>174,842,763</u>	\$ <u>5,935,908</u>	\$ <u>(4,458,260)</u>	\$ <u>176,320,411</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 9: Capital Assets (continued)

Depreciation and amortization expense was charged to governmental activities as follows:

Instruction:	
Regular	\$ 191,387*
Vocational	6,873
Support services:	
Business	39,611
Operations and maintenance of plant	5,326,846
Pupil transportation	91,217
Central	14,857*
Food services	5,339
Community services	14,326
Extracurricular activities	11,959
	<u>\$ 5,702,415</u>

*Regular includes \$9,163 and central includes \$13,102 related to subscriptions amortization.

	Balance at 6/30/22	Additions	Disposals	Balance at 6/30/23
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ <u>96,299</u>	\$ <u>529,535</u>	\$ <u>-</u>	\$ <u>625,834</u>
Capital assets, being depreciated:				
Furniture and equipment	666,127	-	-	666,127
Vehicles	<u>-</u>	<u>59,028</u>	<u>-</u>	<u>59,028</u>
Total capital assets, being depreciated	<u>666,127</u>	<u>59,028</u>	<u>-</u>	<u>725,155</u>
Less accumulated depreciation:				
Furniture and equipment	(405,720)	(34,800)	-	(440,520)
Vehicles	<u>-</u>	<u>(3,689)</u>	<u>-</u>	<u>(3,689)</u>
Total accumulated depreciation	<u>(405,720)</u>	<u>(38,489)</u>	<u>-</u>	<u>(444,209)</u>
Total capital assets being depreciated, net	<u>260,407</u>	<u>20,539</u>	<u>-</u>	<u>280,946</u>
Business-type activities capital assets, net	\$ <u>356,706</u>	\$ <u>550,074</u>	\$ <u>-</u>	\$ <u>906,780</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

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 2023, the District contracted with several companies for various types of insurance as follows:

<u>Type of Coverage</u>	<u>Deductible/Limit of Coverage</u>
Property Liability	\$1,000 deductible \$350,000,000 limit
Flood and Earthquake Limit	\$50,000 deductible \$10,000,000 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.

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 \$2,728,100 have been accrued in the Self-Insurance Internal Service Fund at June 30, 2023, 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 10: Risk Management (continued)

C. Employee Medical Benefits (continued)

The claims liability of \$2,728,100 reported in the Self-Insurance Internal Service Fund at June 30, 2023, 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 2021, 2022, and 2023 are as follows:

	Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
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
June 30, 2023	2,364,500	21,297,573	20,933,973	2,728,100

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.

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

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

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. 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.

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 65 with 5 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

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

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 30 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 was in effect for all benefit recipients for the years 2018, 2019, and 2020. SERS' Retirement Board approved a 2.0% COLA for calendar year 2022 and 2.5% for calendar year 2023.

The defined benefit pension plan includes the Pension Benefits Plan, Death Benefit Fund and Medicare Part B Plan. The Death Benefit Fund pays \$1,000 to a designated beneficiary of a deceased retiree or disability benefit recipient as allowed under ORC Section 3309.50.

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, 2023, 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 \$2,532,336 for fiscal year 2023. Of this amount, \$375,003 is reported as intergovernmental payable.

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

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

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, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit at any age. 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 11.09% of the 14.00% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 2.91% 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.

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

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

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, 2023 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 \$7,493,778 for fiscal year 2023. Of this amount, \$1,286,520 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. Following is information related to the proportionate share and pension expense at June 30, 2023:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of net pension liability prior measurement date	0.412071%	0.378677%	
Proportion of net pension liability current measurement date	<u>0.420543%</u>	<u>0.368259%</u>	
Change in proportionate share	<u>0.008472%</u>	<u>(0.010418%)</u>	
Proportionate share of the net pension liability	\$ 22,746,214	\$ 81,864,349	\$ 104,610,563
Pension expense	\$ 748,664	\$ 7,489,121	\$ 8,237,785

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

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

At June 30, 2023, 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	\$ 921,240	\$ 1,047,969	\$ 1,969,209
Change in assumptions	224,441	9,796,703	10,021,144
Difference between projected and actual earnings on pension plan investments	-	2,848,700	2,848,700
Changes in proportionate share and difference between District contributions and proportionate share of contributions	311,515	-	311,515
District contributions subsequent to the measurement date	<u>2,532,336</u>	<u>7,493,778</u>	<u>10,026,114</u>
Total deferred outflows of resources	\$ <u>3,989,532</u>	\$ <u>21,187,150</u>	\$ <u>25,176,682</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 149,323	\$ 313,157	\$ 462,480
Change in assumptions	-	7,374,101	7,374,101
Difference between projected and actual earnings on pension plan investments	793,739	-	793,739
Changes in proportionate share and difference between District contributions and proportionate share of contributions	<u>283,565</u>	<u>5,245,329</u>	<u>5,528,894</u>
Total deferred inflows of resources	\$ <u>1,226,627</u>	\$ <u>12,932,587</u>	\$ <u>14,159,214</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

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 \$10,026,114 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, 2024. 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:			
2024	\$ (31,378)	\$ (1,597,599)	\$ (1,628,977)
2025	76,754	(2,070,343)	(1,993,589)
2026	(1,133,873)	(3,873,648)	(5,007,521)
2027	<u>1,319,066</u>	<u>8,302,375</u>	<u>9,621,441</u>
Total	\$ <u>230,569</u>	\$ <u>760,785</u>	\$ <u>991,354</u>

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 2137.

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, 2023

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, 2022 are presented below:

Valuation date	June 30, 2022
Actuarial cost method	Entry age normal (level percent of payroll)
Actuarial assumptions:	
Investment rate of return	7.00%, net of investment expenses, including inflation
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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table. 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

E. Actuarial Assumptions - SERS (continued)

The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00%	(0.45%)
US equity	24.75	5.37
Non-US equity developed	13.50	6.22
Non-US equity emerging	6.75	8.22
Fixed income/global bonds	19.00	1.20
Private equity	11.00	10.05
Real estate/real assets	16.00	4.87
Multi-asset strategies	4.00	3.39
Private debt/private credit	3.00	5.38
Total	100.00%	

Discount Rate The total pension liability was calculated using the discount rate of 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00% for 2022). 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 as of June 30, 2022. 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 as of June 30, 2022.

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	\$ 33,481,342	\$ 22,746,214	\$ 13,702,016

Assumption Changes Cost-of-Living-Adjustments was increased from 2.00% to 2.50% for calendar year 2023.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

F. Actuarial Assumptions - STRS

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actual cost method	Entry age normal
Inflation	2.50%
Salary increases	Varies by service from 2.5% to 8.5%
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%

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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:

<u>Asset Class</u>	<u>Target Allocation*</u>	<u>Long Term Expected Real Rate of Return**</u>
Domestic equity	26.00%	6.60%
International equity	22.00	6.80
Alternatives	19.00	7.38
Fixed income	22.00	1.75
Real estate	10.00	5.75
Liquidity reserves	1.00	1.00
Total	<u>100.00%</u>	

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

** 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.25%, and is net of 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 11: Pension Plans (continued)

F. Actuarial Assumptions - STRS (continued)

Discount Rate The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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 active and inactive employees 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, 2022. 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, 2022.

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	\$ 123,667,228	\$ 81,864,349	\$ 46,512,055

Benefit Term Changes Since the Prior Measurement Date Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based.

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

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

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.

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 the fiscal year ended June 30, 2023, 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 the fiscal year ended June 30, 2023, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% 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 2023, the District's surcharge obligation was \$214,407.

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 \$214,407 for fiscal year 2023. Of this amount \$214,407 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. STRS Ohio provides access to healthcare coverage to retirees who participated in the Defined Benefit or Combined Plans, and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board (the "Board") has discretionary authority over how much, if any, of the healthcare costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the healthcare cost in the form of a monthly premium. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

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

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, 2023, STRS did not allocate any employer contributions to post-employment health care.

C. OPEB Liability (Asset), 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, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. SERS' calculation of the employers' proportionate share is based on actual contributions made to the pension plan plus actual surcharge contributions made to the OPEB plan because the total of these two amounts is most representative of the level of future contributions to the OPEB plan. STRS' calculation of the employers' proportionate share is based on total contributions to the plan for both pension and OPEB. 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	0.404945%	0.378677%	
Proportion of net OPEB liability/asset current measurement date	<u>0.415982%</u>	<u>0.368259%</u>	
Change in proportionate share	<u>0.011037%</u>	<u>(0.010418%)</u>	
Proportionate share of the net OPEB liability	\$ 5,840,428	\$ -	\$ 5,840,428
Proportionate share of the net OPEB (asset)	\$ -	\$ (9,535,440)	\$ (9,535,440)
Reduction of OPEB expense	\$ (607,761)	\$ (1,999,527)	\$ (2,607,288)

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

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

At June 30, 2023, 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	\$ 49,097	\$ 138,230	\$ 187,327
Change in assumptions	928,995	406,178	1,335,173
Difference between projected and actual earnings on plan investments	30,355	165,989	196,344
Changes in proportionate share and difference between District contributions and proportionate share of contributions	243,189	9,420	252,609
District contributions subsequent to the measurement date	<u>214,407</u>	<u>-</u>	<u>214,407</u>
Total deferred outflows of resources	\$ <u>1,466,043</u>	\$ <u>719,817</u>	\$ <u>2,185,860</u>
Deferred inflows of resources			
Difference between expected and actual experience	\$ 3,735,966	\$ 1,432,040	\$ 5,168,006
Change in assumptions	2,397,538	6,761,544	9,159,082
Changes in proportionate share and difference between District contributions and proportionate share of contributions	<u>946,885</u>	<u>324,162</u>	<u>1,271,047</u>
Total deferred inflows of resources	\$ <u>7,080,389</u>	\$ <u>8,517,746</u>	\$ <u>15,598,135</u>

The \$214,407 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, 2024. 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:			
2024	\$ (1,383,430)	\$ (2,468,211)	\$ (3,851,641)
2025	(1,330,366)	(2,194,307)	(3,524,673)
2026	(1,186,115)	(1,023,977)	(2,210,092)
2027	(799,123)	(427,185)	(1,226,308)
2028	(482,006)	(557,924)	(1,039,930)
Thereafter	<u>(647,713)</u>	<u>(1,126,325)</u>	<u>(1,774,038)</u>
Total	\$ <u>(5,828,753)</u>	\$ <u>(7,797,929)</u>	\$ <u>(13,626,682)</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

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.

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, 2022, are presented below:

Actuarial cost method	Entry age normal
Wage inflation	2.40%
Projected salary increases	3.25% to 13.58%, including inflation
Investment rate of return	7.00%, net of investing expense, including inflation
Municipal bond index rate:	
Measurement date	3.69%
Prior measurement date	1.92%
Year FNP is Projected to be Depleted	2044
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	4.08%
Prior measurement date	2.27%
Medical trend assumption	7.00% to 4.40%

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

D. Actuarial Assumptions - SERS (continued)

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. Mortality rates for disable retirees were based on 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. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

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 2016 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 long-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. These ranges were combined to produce the long-term expected rate of return, 7.00% as of June 30, 2022, 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, are summarized below:

Measurement date of June 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00%	(0.45%)
US equity	24.75	5.37
Non-US equity developed	13.50	6.22
Non-US equity emerging	6.75	8.22
Fixed income/global bonds	19.00	1.20
Private equity	11.00	10.05
Real estate/real assets	16.00	4.87
Multi-asset strategies	4.00	3.39
Private debt/private credit	3.00	5.38
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, 2023

Note 12: Defined Benefit OPEB Plans (continued)

D. Actuarial Assumptions - SERS (continued)

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2022 was 4.08%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year. 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 for the June 30, 2022 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 at June 30, 2022 was 3.69%. At June 30, 2022, the long-term expected rate of return on health care investments was applied to projected costs through the year 2044, and the municipal bond rate was applied to all health care costs after that date.

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 one percentage point lower and higher than the current discount rate. Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are one percentage point lower and higher than the current rate.

	<u>1% Decrease</u> <u>(3.08%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(4.08%)</u>	<u>1% Increase</u> <u>(5.08%)</u>
District's proportionate share of the net OPEB liability	\$ 7,253,899	\$ 5,840,428	\$ 4,699,372

	<u>1% Decrease</u>	<u>Current</u> <u>Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB liability	\$ 4,504,018	\$ 5,840,428	\$ 7,585,996

Assumption Changes The SERS OPEB discount rate was changed from 2.27% to 4.08% percent, which impacted the annual actuarial valuation for OPEB prepared as of June 30, 2022. The health care trend rates were also updated.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

E. Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022 actuarial valuation are presented below:

Actuarial cost method	Entry age normal
Salary increases	Varies by service from 2.5% to 8.5%
Payroll increases	3.00%
Investment rate of return	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%

Health care cost trends	<u>Initial</u>	<u>Ultimate</u>
Medical		
Pre-Medicare	7.50%	3.94%
Medicare	(68.78%)	3.94%
Prescription drug		
Pre-Medicare	9.00%	3.94%
Medicare	(5.47%)	3.94%

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

For healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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 below for measurement year 2022:

<u>Asset Class</u>	<u>Target Allocation*</u>	<u>Long Term Expected Real Rate of Return**</u>
Domestic equity	26.00%	6.60%
International equity	22.00	6.80
Alternatives	19.00	7.38
Fixed income	22.00	1.75
Real estate	10.00	5.75
Liquidity reserves	1.00	1.00
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, 2023

Note 12: Defined Benefit OPEB Plans (continued)

E. Actuarial Assumptions - STRS (continued)

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

** 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.25%, and is net of 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, 2022. 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 active and inactive employees. 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, 2022.

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, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher 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.

	<u>1% Decrease</u> <u>(6.00%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.00%)</u>	<u>1% Increase</u> <u>(8.00%)</u>
District's proportionate share of the net OPEB asset	\$ 8,815,264	\$ 9,535,440	\$ 10,152,333

	<u>1% Decrease</u>	<u>Current</u> <u>Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	\$ 9,890,571	\$ 9,535,440	\$ 9,087,175

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

	<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%

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 12: Defined Benefit OPEB Plans (continued)

E. Actuarial Assumptions - STRS (continued)

Benefit Term Changes Since the Prior Measurement Date Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

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.

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 2021-2022 and the first installment of the 2022-2023 Retirement Incentive Programs were paid prior to June 30, 2023. These payments of \$204,000 were made from the General Fund.

The last installment of the 2022-2023 and the first installment of the 2023-2024 Retirement Incentive Programs will be paid starting in July 2023. These payments of \$168,000 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 2023-2024 Retirement Incentive Programs will be completed in July 2024. The payments of \$84,000 will be made from the General Fund and are 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, 2023

Note 14: Long - Term Liabilities

The changes in the District's long-term obligations during fiscal year 2023 were as follows:

	Restated Principal Outstanding at 7/1/22	Additions	Deletions	Principal Outstanding at 6/30/23	Amounts Due in One Year
Governmental activities:					
2012 \$6,750,000 Library Improvement Refunding Bonds – interest rates of 2.00-2.25%	\$ 2,635,000	\$ -	\$ 510,000	\$ 2,125,000	\$ 515,000
Premium on Library Improvement Refunding Bonds	66,572	-	13,315	53,257	-
Certificates of Participation – interest rate of 4.00%	14,660,000	-	-	14,660,000	-
Premium on Refunding Certificates of Participation	2,963,003	-	138,350	2,824,653	-
2014 \$134,799,915 School Improvement Bonds – interest rates of 3.27-19.85%.	4,000,664	-	903,732	3,096,932	852,552
Premium on 2014 School Improvement Bonds	31,874	-	9,375	22,499	-
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	6,437,262	-	218,830	6,218,432	-
2017 \$60,725,000 School Improvement Refunding Bonds – interest rates of 3.50-69.58%	60,725,000	-	-	60,725,000	22,239
Premium on 2017 School Improvement Bonds	8,506,751	-	288,365	8,218,386	-
Appreciation on Capital Appreciation Bonds	2,375,431	1,150,965	296,268	3,230,128	1,090,209
Subscription payable*	23,069	85,005	96,326	11,748	11,748
Financed purchase obligations*	54,930	-	30,470	24,460	15,792
Early retirement incentive	72,000	84,000	72,000	84,000	-
Net pension liability:					
SERS	15,204,225	7,541,989	-	22,746,214	-
STRS	48,417,273	33,447,076	-	81,864,349	-
Net OPEB liability:					
SERS	7,663,925	-	1,823,497	5,840,428	-
Asset retirement obligation	43,848	1,304	-	45,152	-
Compensated absences	7,623,521	3,230,589	3,065,713	7,788,397	2,592,571
Total governmental long-term liabilities	\$ 248,191,127	\$ 45,540,928	\$ 7,466,241	\$ 286,265,814	\$ 5,100,111

*Direct placement

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 14: Long - Term Liabilities (continued)

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%.

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, 2023, none of the defeased bonds were outstanding. 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, 2023, none of the defeased bonds were outstanding. 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, 2023

Note 14: Long - Term Liabilities (continued)

On March 18, 2014 the District entered into a \$21,000,000 an agreement with the Ohio School Building Leasing Corporation (the “Leasing Corporation”) for facility upgrades. The agreement is 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 agreement to the Huntington National Bank as Trustee. The Trustee issued Certificates of Participation in the agreement enabling holders of the Certificates to receive a portion of the semi-annual payments.

The obligation of the District under the agreement and any subsequent renewal is subject to annual appropriation of the payments. Legal title of the facilities remains with the Leasing Corporation until all payments required under the agreement 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, 2023, was \$-0- with an unvoted debt margin of \$1,259,444.

The District has entered into agreements as a lessee for subscription-based information technology arrangements (SBITAs) which are considered right-to-use assets. A description of the District’s leasing arrangements is as follows:

In September 2021, the District entered into entered into an eight-year subscription-based information technology arrangement. The agreement requires three installment payments of \$11,880.

In July 2022, the District entered into entered into a five-year subscription-based information technology arrangement. The agreement required a payment of \$21,000 at the inception of the agreement.

In March 2023, the District entered into entered into a two-year subscription-based information technology arrangement. The agreement required a payment of \$64,397 at the inception of the agreement.

A summary of the principal and interest amounts for the remaining subscriptions is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,748	\$ 132	\$ 11,880

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 14: Long - Term Liabilities (continued)

Principal and interest requirements to retire general obligation bonds and library improvement bonds outstanding at June 30, 2023, are as follows:

	2014 School Improvement Bonds			2017 School Improvement Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
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	-	-	-	6,903	4,899,947	4,906,850
2029-2033	-	-	-	11,754,346	13,841,504	25,595,850
2034-2038	-	-	-	16,395,000	7,804,350	24,199,350
2039-2043	-	-	-	10,215,000	4,365,851	14,580,851
2044-2048	-	-	-	1,160,000	3,803,976	4,963,976
2049-2052	-	-	-	21,140,000	1,520,402	22,660,402
Total	\$ 3,096,932	\$ 1,538,068	\$ 4,635,000	\$ 60,725,000	\$ 50,319,679	\$ 111,044,679

	2021 School Improvement Refunding Bonds			Library Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
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	-	1,948,270	1,948,270	-	-	-
2029-2033	-	9,741,350	9,741,350	-	-	-
2034-2038	949,930	16,236,421	17,186,351	-	-	-
2039-2043	15,151,849	14,418,355	29,570,204	-	-	-
2044-2048	36,120,000	4,990,925	41,110,925	-	-	-
2049-2052	14,465,000	900,836	15,365,836	-	-	-
Total	\$ 66,686,779	\$ 56,029,237	\$ 122,716,016	\$ 2,125,000	\$ 94,306	\$ 2,219,306

	Certificates of Participation			Total		
	Principal	Interest	Total	Principal	Interest	Total
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	290,000	580,600	870,600	296,903	7,428,817	7,725,720
2029-2033	3,560,000	2,529,400	6,089,400	15,314,346	26,112,254	41,426,600
2034-2038	4,345,000	1,741,100	6,086,100	21,689,930	25,781,871	47,471,801
2039-2043	5,280,000	781,400	6,061,400	30,646,849	19,565,606	50,212,455
2044-2048	1,185,000	23,700	1,208,700	38,465,000	8,818,601	47,283,601
2049-2052	-	-	-	35,605,000	2,421,238	38,026,238
Total	\$ 14,660,000	\$ 8,001,800	\$ 22,661,800	\$ 147,293,711	\$ 115,983,090	\$ 263,276,801

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

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, 2023 in the amount of \$24,460. For the copier equipment, the present value of the future minimum payments at the time of acquisition was \$143,326 less accumulated depreciation, \$115,467. Principal payments for all financed purchases in the 2023 fiscal year totaled \$30,470. These amounts are reported as debt service principal expenditures of the General Fund.

The following is a schedule of the future minimum payments required under the financed purchase agreement as of June 30, 2023:

		Financed Purchase		
		Principal	Interest	Total
2024	\$	15,792	\$ 720	\$ 16,512
2025		8,668	124	8,792
Total	\$	24,460	\$ 844	\$ 25,304

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 281 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 2023, the District paid \$215,141 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 16: Jointly Governed Organization (continued)

The District participates in the Council's prepaid natural gas program. This program allows school districts to purchase natural gas at reduced rates. There are more than 180 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.

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, 2022	\$ -
Qualifying off-sets	(3,395,420)
Current year set-aside requirements	1,034,254
Qualifying disbursements	(822,674)
Total set-aside reserve balance as of June 30, 2023	\$ (3,183,840)

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, 2023, the District's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Bus depot	\$ 3,062,348	\$ 2,501,667	\$ 560,681
HVAC Controls	1,805,370	1,643,199	162,171
Gearity multi zone AHU	235,938	22,095	213,843
Noble window replacement	968,426	440,315	528,111
Board of Education roof	280,848	228,933	51,915
Roxboro kitchen serving line	684,058	625,833	58,225
Total	\$ 7,036,988	\$ 5,462,042	\$ 1,574,946

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

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	\$ 2,172,457
Nonmajor governmental funds	2,778,944
Nonmajor enterprise funds	<u>13,525</u>
Total other significant commitments	\$ <u>4,964,926</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, 2023.

B. Litigation

The District is unaware of any un-asserted claims pending against it as of June 30, 2023. During the normal course of business, the District is subject to occasional legal proceedings, claims, and contract disputes. In the opinion of management, the eventual outcome of any proceedings and claims against the District will not materially affect its financial condition or operations.

C. Foundation Funding

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2023

Note 20: Related Organization (continued)

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.

Note 21: Accountability

The following funds had deficit fund balances/net position at June 30, 2023:

Special Revenue Funds:

Title I	\$ 246,287
Elementary and Secondary School Emergency Relief (ESSER)	750,180
Governor's Emergency Education Relief (GEER)	9,765
Idea (Flo-Thru)	100,771
Vocational Education	48,819
Title IIA-Improving Teacher Quality	12,216
Title IV	22,679
Public School Preschool Grant	13,901
Other Grants Fund	38,580
Title IV A-Student Supports and Academic Enrichment	11,997
Preschool Disabilities Grant	3,479
Title I School Improvement	8,686

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 \$45,152 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 10 years. The District maintains insurance related to any potential pollution remediation associated with the USTs.

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 Ten Fiscal Years

	<u>2023 (1)</u>	<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	0.420543%	0.412071%	0.432407%	0.439391%	0.420330%
School district's proportionate share of the net pension liability	\$ 22,746,214	\$ 15,204,225	\$ 28,600,317	\$ 26,289,534	\$ 24,073,099
School district's covered payroll	\$ 15,712,343	\$ 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	144.77%	106.11%	188.77%	175.06%	162.81%
Plan fiduciary net position as a percentage of the total pension liability	75.82%	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	\$ 15,100,571	\$ 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) 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

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 Ten Fiscal Years

	<u>2023 (1)</u>	<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	0.368259%	0.378677%	0.400445%	0.403600%	0.403167%
School district's proportionate share of the net pension liability	\$ 81,864,349	\$ 48,417,273	\$ 96,893,549	\$ 89,253,750	\$ 88,647,341
School district's covered payroll	\$ 47,608,114	\$ 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	171.95%	103.30%	198.98%	185.46%	193.24%
Plan fiduciary net position as a percentage of the total pension liability	78.90%	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) 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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 2,532,336	\$ 2,199,728	\$ 2,006,084	\$ 2,121,141	\$ 2,027,353
Contributions in relation to the contractually required contribution	<u>(2,532,336)</u>	<u>(2,199,728)</u>	<u>(2,006,084)</u>	<u>(2,121,141)</u>	<u>(2,027,353)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered payroll	\$ 18,088,114	\$ 15,712,343	\$ 14,329,171	\$ 15,151,007	\$ 15,017,429
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	13.50%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,996,172	\$ 2,015,526	\$ 2,115,504	\$ 2,029,427	\$ 2,092,939
Contributions in relation to the contractually required contribution	<u>(1,996,172)</u>	<u>(2,015,526)</u>	<u>(2,115,504)</u>	<u>(2,029,427)</u>	<u>(2,092,939)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered payroll	\$ 14,786,457	\$ 14,396,614	\$ 15,110,743	\$ 15,397,779	\$ 15,100,571
Contributions as a percentage of covered payroll	13.50%	14.00%	14.00%	13.18%	13.86%

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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 7,493,778	\$ 6,665,135	\$ 6,561,966	\$ 6,817,487	\$ 6,737,495
Contributions in relation to the contractually required contribution	<u>(7,493,778)</u>	<u>(6,665,135)</u>	<u>(6,561,966)</u>	<u>(6,817,487)</u>	<u>(6,737,495)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered payroll	\$ 53,526,986	\$ 47,608,114	\$ 46,871,186	\$ 48,696,336	\$ 48,124,964
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 6,422,342	\$ 6,195,236	\$ 6,656,306	\$ 6,767,468	\$ 6,150,070
Contributions in relation to the contractually required contribution	<u>(6,422,342)</u>	<u>(6,195,236)</u>	<u>(6,656,306)</u>	<u>(6,767,468)</u>	<u>(6,150,070)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered payroll	\$ 45,873,871	\$ 44,251,686	\$ 47,545,043	\$ 48,339,057	\$ 47,308,229
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	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 Seven Fiscal Years

	<u>2023 (1)</u>	<u>2022 (1)</u>			
School district's proportion of the net OPEB liability	0.415982%	0.404945%			
School district's proportionate share of the net OPEB liability	\$ 5,840,428	\$ 7,663,925			
School district's covered payroll	\$ 14,512,264	\$ 14,329,171			
School district's proportionate share of the net OPEB liability as a percentage of its covered payroll	40.24%	53.48%			
Plan fiduciary net position as a percentage of the total OPEB liability	30.34%	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 Seven Fiscal Years

	2023 (1)	2022 (1)			
School district's proportion of the net OPEB asset/liability	0.368259%	0.378677%			
School district's proportionate share of the net OPEB (asset)/liability	\$ (9,535,440)	\$ (7,984,096)			
School district's covered payroll	\$ 47,608,114	\$ 46,871,186			
School district's proportionate share of the net OPEB (asset)/liability as a percentage of its covered payroll	(20.03%)	(17.03%)			
Plan fiduciary net position as a percentage of the total OPEB liability	230.70%	174.70%			
	2021 (1)	2020 (1)	2019 (1)	2018 (1)	2017 (1)
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

	2023	2022	2021	2020	2019
Contractually required contribution (1)	\$ 214,407	\$ 199,917	\$ 168,011	\$ 162,419	\$ 298,453
Contributions in relation to the contractually required contribution	(214,407)	(199,917)	(168,011)	(162,419)	(298,453)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
School district covered payroll	\$ 18,088,114	\$ 14,512,264	\$ 14,329,171	\$ 15,151,007	\$ 15,017,429
Contributions as a percentage of covered payroll	1.19%	1.38%	1.17%	1.07%	1.99%

	2018	2017	2016	2015	2014
Contractually required contribution (1)	\$ 313,159	\$ 246,778	\$ 249,000	\$ 363,851	\$ 275,793
Contributions in relation to the contractually required contribution	(313,159)	(246,778)	(249,000)	(363,851)	(275,793)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
School district covered payroll	\$ 14,786,457	\$ 14,396,614	\$ 15,110,743	\$ 15,397,779	\$ 15,100,571
Contributions as a percentage of covered payroll	2.12%	1.71%	1.65%	2.36%	1.83%

(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

	2023	2022	2021	2020	2019
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School district covered payroll	\$ 53,526,986	\$ 47,608,114	\$ 46,871,186	\$ 48,696,336	\$ 48,124,964
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
	2018	2017	2016	2015	2014
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ 473,082
Contributions in relation to the contractually required contribution	-	-	-	-	(473,082)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School district covered payroll	\$ 45,873,871	\$ 44,251,686	\$ 47,545,043	\$ 48,339,057	\$ 47,308,229
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	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, 2023

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 2023-2022</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 2023, 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.

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2023

Note 1: Net Pension Liability (continued)

Changes in Assumptions – STRS (continued)

These new assumptions used in fiscal year 2023 compared with those used prior are presented below:

	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2022</u>
Inflation	2.50%	2.50%
Discount rate	7.00%	7.00%
Projected salary increases	Varies by service from 2.5% to 8.5%	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Payroll increases	3.00%	3.00%
Cost-of-Living Adjustments (COLA)	0.00%, effective July 1, 2017	0.00%, effective July 1, 2017
	<u>Fiscal Year 2021-2018</u>	<u>Fiscal Year 2017 and Prior</u>
Inflation	2.50%	2.75%
Discount rate	7.45%	7.75%
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 2023, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For fiscal year 2019 through 2022, 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. Postretirement 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.

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2023

Note 1: Net Pension Liability (continued)

Changes in Assumptions – STRS (continued)

For 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.

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 2023 3.69%
Fiscal year 2022 1.92%
Fiscal year 2021 2.45%
Fiscal year 2020 3.13%
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 2023 4.08%
Fiscal year 2022 2.27%
Fiscal year 2021 2.63%
Fiscal year 2020 3.22%
Fiscal year 2019 3.70%
Fiscal year 2018 3.63%
Fiscal year 2017 2.98%

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2023

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

Changes in Assumptions – SERS (continued)

Beginning in fiscal year 2023 the healthcare cost trend rate was updated from 6.75% decreasing to 4.40% to 7.00% decreasing to 4.40%. Beginning in fiscal year 2022 the 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 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 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 7.45% to 7.00%. Changes to healthcare cost trends for medical and prescription drug were adjusted for Medicare.

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% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*. Valuation year per capita health care costs were updated.

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 will be discontinued beginning January 1, 2020.

For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* 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.

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 will be discontinued beginning January 2019.

Changes in Benefit Terms – STRS

There was no change to the claims costs process. Claim curves were updated to reflect the projected June 30, 2023 premium based on June 30, 2022 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2023 from 2.100% to 2.200%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2023. The Medicare Part D subsidy is expected to be negative in 2023 and is not included in the fiscal 2023 rates.

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2023

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

Changes in Benefit Terms – STRS (continued)

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.

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



Christian Johnson
Gr 3 Canterbury Elementary School



CLEVELAND
UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds Fund Descriptions

June 30, 2023

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:

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.

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.

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds Fund Descriptions (continued)

June 30, 2023

Nonmajor Special Revenue Funds (continued)

Governor's Emergency Education Relief The purpose of this federal program is to support schools that have been most significantly impacted by coronavirus. These monies are restricted to support the school to continue to provide educational services to the students.

Title I School Improvement The purpose of this federal program is to support high-quality, sustainable school improvement activities that increase student achievement.

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.

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.

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds Fund Descriptions (continued)

June 30, 2023

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

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

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, 2023

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 1,446,812	\$ 2,154,341	\$ 5,038,811	\$ 8,639,964
Accounts receivable	164,162	-	-	164,162
Intergovernmental receivable	973,031	-	-	973,031
Taxes receivable	-	6,721,966	3,673,524	10,395,490
Total assets	<u>\$ 2,584,005</u>	<u>\$ 8,876,307</u>	<u>\$ 8,712,335</u>	<u>\$ 20,172,647</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 776,467	\$ -	\$ 773,308	\$ 1,549,775
Accrued wages and benefits	616,655	-	-	616,655
Unearned revenues	523,392	-	-	523,392
Interfund payable	1,388,020	-	-	1,388,020
Intergovernmental payable	160,516	-	-	160,516
Total liabilities	<u>3,465,050</u>	<u>-</u>	<u>773,308</u>	<u>4,238,358</u>
Deferred inflows of resources:				
Property taxes	-	5,129,972	2,703,897	7,833,869
Unavailable revenue	9,765	1,005,706	594,763	1,610,234
Total deferred inflows of resources	<u>9,765</u>	<u>6,135,678</u>	<u>3,298,660</u>	<u>9,444,103</u>
Fund balances:				
Restricted	376,550	2,740,629	4,640,367	7,757,546
Unassigned	(1,267,360)	-	-	(1,267,360)
Total fund balances	<u>(890,810)</u>	<u>2,740,629</u>	<u>4,640,367</u>	<u>6,490,186</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,584,005</u>	<u>\$ 8,876,307</u>	<u>\$ 8,712,335</u>	<u>\$ 20,172,647</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, 2023

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ -	\$ 7,234,926	\$ 3,400,456	\$ 10,635,382
Intergovernmental	15,820,997	202,291	428,719	16,452,007
Grants	340,470	-	-	340,470
Earnings on investments	6,061	-	-	6,061
Extracurricular activities	193,310	-	-	193,310
Miscellaneous	69,666	-	-	69,666
Total revenues	<u>16,430,504</u>	<u>7,437,217</u>	<u>3,829,175</u>	<u>27,696,896</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,184,115	-	-	4,184,115
Special	2,709,349	-	-	2,709,349
Vocational	175,783	-	-	175,783
Other	2,407,921	-	-	2,407,921
Support services:				
Pupil	983,288	-	-	983,288
Instructional staff	1,277,879	-	-	1,277,879
Administration	1,021,516	-	-	1,021,516
Fiscal	84,165	154,151	71,444	309,760
Operations and maintenance of plant	762,313	-	6,279,911	7,042,224
Pupil transportation	43,468	-	-	43,468
Central	294,508	-	-	294,508
Operation of non-instructional services:				
Community services	2,468,312	-	-	2,468,312
Extracurricular activities	428,033	-	-	428,033
Debt service:				
Principal	-	1,413,732	-	1,413,732
Interest and fiscal charges	-	4,607,200	587,900	5,195,100
Total expenditures	<u>16,840,650</u>	<u>6,175,083</u>	<u>6,939,255</u>	<u>29,954,988</u>
Excess of revenues (under) over expenditures	(410,146)	1,262,134	(3,110,080)	(2,258,092)
Other financing sources (uses):				
Transfers – in	<u>243,140</u>	<u>-</u>	<u>-</u>	<u>243,140</u>
Net change in fund balance	(167,006)	1,262,134	(3,110,080)	(2,014,952)
Fund (deficit) balance at beginning of year	<u>(723,804)</u>	<u>1,478,495</u>	<u>7,750,447</u>	<u>8,505,138</u>
Fund (deficit) balance at end of year	<u>\$ (890,810)</u>	<u>\$ 2,740,629</u>	<u>\$ 4,640,367</u>	<u>\$ 6,490,186</u>



CLEVELAND
UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT

Cleveland Heights-University Heights City School District

Combining Balance Sheet Nonmajor Special Revenue Funds

June 30, 2023

	Other Grants	Student Activity	District Managed Activity	Auxiliary Services	Public School Preschool Grant
Assets:					
Equity in pooled cash and investments	\$ 214,089	\$ 73,067	\$ 140,597	\$ 251,964	\$ -
Accounts receivable	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	15,214
Total assets	<u>\$ 214,089</u>	<u>\$ 73,067</u>	<u>\$ 140,597</u>	<u>\$ 251,964</u>	<u>\$ 15,214</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ 25,532	\$ -	\$ 6,582	\$ 109,123	\$ -
Accrued wages and benefits	-	-	-	-	11,655
Unearned revenues	-	-	-	-	-
Interfund payable	226,076	-	-	-	15,213
Intergovernmental payable	1,061	-	-	-	2,247
Total liabilities	<u>252,669</u>	<u>-</u>	<u>6,582</u>	<u>109,123</u>	<u>29,115</u>
Deferred inflows of resources:					
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	-	73,067	134,015	142,841	-
Unassigned	(38,580)	-	-	-	(13,901)
Total fund balances (deficit)	<u>(38,580)</u>	<u>73,067</u>	<u>134,015</u>	<u>142,841</u>	<u>(13,901)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 214,089</u>	<u>\$ 73,067</u>	<u>\$ 140,597</u>	<u>\$ 251,964</u>	<u>\$ 15,214</u>

<u>Data Communication</u>	<u>Miscellaneous State Grants</u>	<u>Elementary and Secondary School Emergency Relief</u>	<u>Title IV</u>	<u>Governor's Emergency Education Relief</u>
\$ -	\$ 26,627	\$ -	\$ -	\$ -
-	-	164,162	-	-
-	-	526,264	28,926	9,765
<u>\$ -</u>	<u>\$ 26,627</u>	<u>\$ 690,426</u>	<u>\$ 28,926</u>	<u>\$ 9,765</u>
\$ -	\$ -	\$ 274,177	\$ 6,740	\$ -
-	-	392,045	9,357	-
-	-	-	-	-
-	-	690,426	28,926	9,765
<u>-</u>	<u>-</u>	<u>83,958</u>	<u>6,582</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>1,440,606</u>	<u>51,605</u>	<u>9,765</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,765</u>
-	26,627	-	-	-
<u>-</u>	<u>-</u>	<u>(750,180)</u>	<u>(22,679)</u>	<u>(9,765)</u>
<u>-</u>	<u>26,627</u>	<u>(750,180)</u>	<u>(22,679)</u>	<u>(9,765)</u>
<u>\$ -</u>	<u>\$ 26,627</u>	<u>\$ 690,426</u>	<u>\$ 28,926</u>	<u>\$ 9,765</u>

Continued

Cleveland Heights-University Heights City School District

Combining Balance Sheet Nonmajor Special Revenue Funds (continued)

June 30, 2023

	Title I School Improvement	IDEA (Flo-Thru)	Vocational Education	Title III	Title I
Assets:					
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-
Intergovernmental receivable	1,276	108,277	32,188	-	175,526
Total assets	<u>\$ 1,276</u>	<u>\$ 108,277</u>	<u>\$ 32,188</u>	<u>\$ -</u>	<u>\$ 175,526</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ 8,166	\$ 5,810	\$ 39,340	\$ -	\$ 89,409
Accrued wages and benefits	461	69,693	7,622	-	123,008
Unearned revenues	-	-	-	-	-
Interfund payable	1,276	108,277	32,188	-	175,526
Intergovernmental payable	59	25,268	1,857	-	33,870
Total liabilities	<u>9,962</u>	<u>209,048</u>	<u>81,007</u>	<u>-</u>	<u>421,813</u>
Deferred inflows of resources:					
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted	-	-	-	-	-
Unassigned	(8,686)	(100,771)	(48,819)	-	(246,287)
Total fund balances (deficit)	<u>(8,686)</u>	<u>(100,771)</u>	<u>(48,819)</u>	<u>-</u>	<u>(246,287)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,276</u>	<u>\$ 108,277</u>	<u>\$ 32,188</u>	<u>\$ -</u>	<u>\$ 175,526</u>

<u>Title IVA- Student Supports and Academic Enrichment</u>	<u>Preschool Disabilities Grant</u>	<u>Title IIA- Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue</u>
\$ -	\$ -	\$ -	\$ 740,468	\$ 1,446,812
-	-	-	-	164,162
<u>28,019</u>	<u>2,975</u>	<u>44,601</u>	<u>-</u>	<u>973,031</u>
<u>\$ 28,019</u>	<u>\$ 2,975</u>	<u>\$ 44,601</u>	<u>\$ 740,468</u>	<u>\$ 2,584,005</u>
\$ 11,730	\$ -	\$ 10,628	\$ 189,230	\$ 776,467
-	2,814	-	-	616,655
-	-	-	523,392	523,392
28,019	2,975	44,602	24,751	1,388,020
<u>267</u>	<u>665</u>	<u>1,587</u>	<u>3,095</u>	<u>160,516</u>
<u>40,016</u>	<u>6,454</u>	<u>56,817</u>	<u>740,468</u>	<u>3,465,050</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,765</u>
-	-	-	-	376,550
<u>(11,997)</u>	<u>(3,479)</u>	<u>(12,216)</u>	<u>-</u>	<u>(1,267,360)</u>
<u>(11,997)</u>	<u>(3,479)</u>	<u>(12,216)</u>	<u>-</u>	<u>(890,810)</u>
<u>\$ 28,019</u>	<u>\$ 2,975</u>	<u>\$ 44,601</u>	<u>\$ 740,468</u>	<u>\$ 2,584,005</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, 2023

	Other Grants	Student Activity	District Managed Activity	Auxiliary Services	Public School Preschool Grant
Revenues:					
Intergovernmental	\$ 60,239	\$ -	\$ -	\$ 755,277	\$ 128,883
Grants	340,470	-	-	-	-
Earnings on investments	-	-	-	6,061	-
Extracurricular activities	-	59,831	133,479	-	-
Miscellaneous	47,040	2,150	20,476	-	-
Total revenues	<u>447,749</u>	<u>61,981</u>	<u>153,955</u>	<u>761,338</u>	<u>128,883</u>
Expenditures:					
Current:					
Instruction:					
Regular	361,924	-	-	-	139,319
Special	-	-	-	-	-
Vocational	-	-	-	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	7,820	-	-	-
Instructional staff	126,513	-	-	-	-
Administration	3,524	-	-	-	-
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	2,234	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services:					
Community services	-	-	-	862,581	-
Extracurricular activities	-	46,143	381,890	-	-
Total expenditures	<u>494,195</u>	<u>53,963</u>	<u>381,890</u>	<u>862,581</u>	<u>139,319</u>
Excess of revenues (under) over expenditures	(46,446)	8,018	(227,935)	(101,243)	(10,436)
Other financing sources (uses):					
Transfers – in	<u>10,029</u>	<u>-</u>	<u>233,111</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(36,417)	8,018	5,176	(101,243)	(10,436)
Fund balance (deficit) at beginning of year	<u>(2,163)</u>	<u>65,049</u>	<u>128,839</u>	<u>244,084</u>	<u>(3,465)</u>
Fund balance (deficit) at end of year	<u><u>\$ (38,580)</u></u>	<u><u>\$ 73,067</u></u>	<u><u>\$ 134,015</u></u>	<u><u>\$ 142,841</u></u>	<u><u>\$ (13,901)</u></u>

<u>Data Communication</u>	<u>Miscellaneous State Grants</u>	<u>Elementary and Secondary School Emergency Relief</u>	<u>Title IV</u>	<u>Governor's Emergency Education Relief</u>
\$ 18,000	\$ 71,627	\$ 6,438,869	\$ 875,610	\$ 461,785
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>18,000</u>	<u>71,627</u>	<u>6,438,869</u>	<u>875,610</u>	<u>461,785</u>
-	-	2,654,199	329,438	-
-	-	104,091	-	-
-	-	-	-	-
-	-	2,407,921	-	-
-	-	600,577	302,612	-
-	-	-	5,262	-
-	-	214,343	107,412	-
-	-	-	19,832	-
-	45,000	494,192	-	-
-	-	-	41,234	-
18,000	-	198,811	46,000	-
-	-	175,767	290	471,550
-	-	-	-	-
<u>18,000</u>	<u>45,000</u>	<u>6,849,901</u>	<u>852,080</u>	<u>471,550</u>
-	26,627	(411,032)	23,530	(9,765)
-	-	-	-	-
-	26,627	(411,032)	23,530	(9,765)
-	-	(339,148)	(46,209)	-
<u>\$ -</u>	<u>\$ 26,627</u>	<u>\$ (750,180)</u>	<u>\$ (22,679)</u>	<u>\$ (9,765)</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, 2023

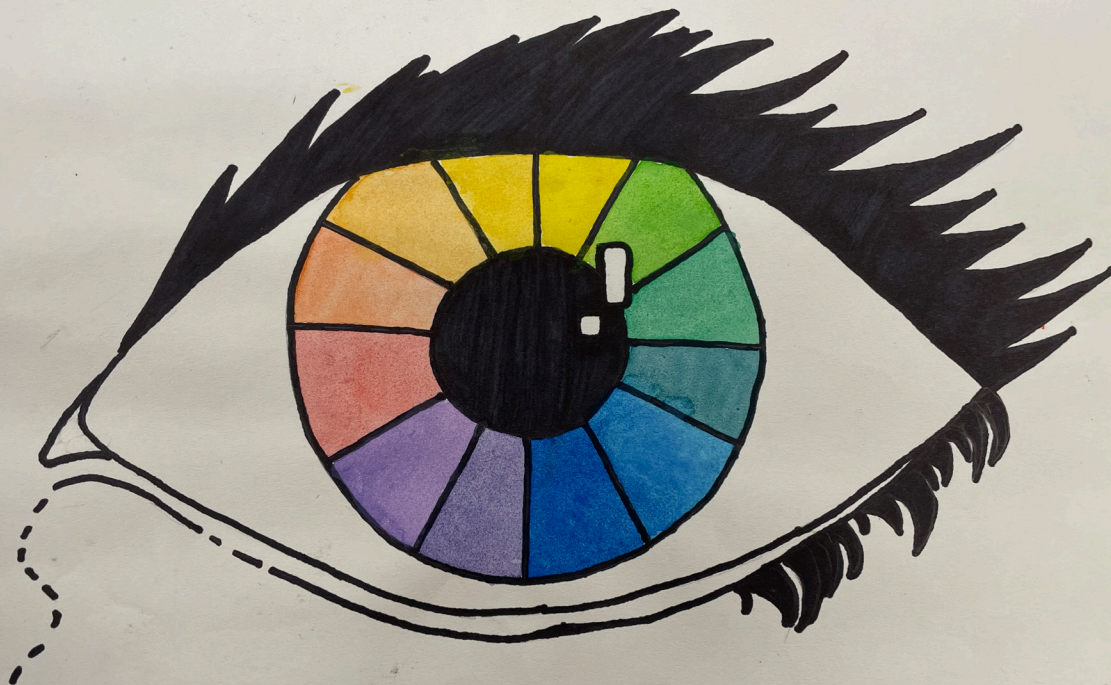
	Title I School Improvement	IDEA (Flo-Thru)	Vocational Education	Title III	Title I
Revenues:					
Intergovernmental	\$ 49,506	\$ 2,060,871	\$ 382,237	\$ 15,037	\$ 2,729,724
Grants	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>49,506</u>	<u>2,060,871</u>	<u>382,237</u>	<u>15,037</u>	<u>2,729,724</u>
Expenditures:					
Current:					
Instruction:					
Regular	4,308	-	-	-	35,231
Special	-	984,886	-	6,846	1,561,379
Vocational	-	-	175,783	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	35,146	-	-	-
Instructional staff	53,884	212,612	157,204	1,469	372,641
Administration	-	441,371	-	-	79,606
Fiscal	-	1,898	-	469	52,371
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services:					
Community services	-	352,216	-	6,248	484,269
Extracurricular activities	-	-	-	-	-
Total expenditures	<u>58,192</u>	<u>2,028,129</u>	<u>332,987</u>	<u>15,032</u>	<u>2,585,497</u>
Excess of revenues (under) over expenditures	(8,686)	32,742	49,250	5	144,227
Other financing sources (uses):					
Transfers – in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(8,686)	32,742	49,250	5	144,227
Fund balance (deficit) at beginning of year, restated	<u>-</u>	<u>(133,513)</u>	<u>(98,069)</u>	<u>(5)</u>	<u>(390,514)</u>
Fund balance (deficit) at end of year	<u>\$ (8,686)</u>	<u>\$ (100,771)</u>	<u>\$ (48,819)</u>	<u>\$ -</u>	<u>\$ (246,287)</u>

Title IVA- Student Supports and Academic Enrichment	Preschool Disabilities Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue
\$ 240,425	\$ 48,930	\$ 362,227	\$ 1,121,750	\$ 15,820,997
-	-	-	-	340,470
-	-	-	-	6,061
-	-	-	-	193,310
-	-	-	-	69,666
<u>240,425</u>	<u>48,930</u>	<u>362,227</u>	<u>1,121,750</u>	<u>16,430,504</u>
115,039	-	-	544,657	4,184,115
-	52,147	-	-	2,709,349
-	-	-	-	175,783
-	-	-	-	2,407,921
-	-	-	37,133	983,288
80,592	-	225,490	42,212	1,277,879
-	-	-	175,260	1,021,516
925	-	8,670	-	84,165
-	-	-	223,121	762,313
-	-	-	-	43,468
-	-	31,697	-	294,508
54,874	-	60,517	-	2,468,312
-	-	-	-	428,033
<u>251,430</u>	<u>52,147</u>	<u>326,374</u>	<u>1,022,383</u>	<u>16,840,650</u>
(11,005)	(3,217)	35,853	99,367	(410,146)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,140</u>
(11,005)	(3,217)	35,853	99,367	(167,006)
<u>(992)</u>	<u>(262)</u>	<u>(48,069)</u>	<u>(99,367)</u>	<u>(723,804)</u>
\$ <u>(11,997)</u>	\$ <u>(3,479)</u>	\$ <u>(12,216)</u>	\$ <u>-</u>	\$ <u>(890,810)</u>

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES- BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL



Violet Zickel
Gr 8 Roxboro Middle School

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 83,516,901	\$ 79,210,828	\$ 85,610,091	\$ 6,399,263
Intergovernmental	83,797,124	21,300,664	21,592,846	292,182
Tuition and fees	14,606,556	3,712,888	3,763,818	50,930
Earnings on investments	7,510,361	1,909,083	1,935,270	26,187
Miscellaneous	4,575,084	1,162,956	1,096,630	(66,326)
Total revenues	<u>194,006,026</u>	<u>107,296,419</u>	<u>113,998,655</u>	<u>6,702,236</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	25,790,696	27,351,154	27,318,111	33,043
Employee benefits	12,420,531	13,172,031	10,944,028	2,228,003
Purchased services	117,444	124,552	105,745	18,807
Supplies and materials	2,035,780	2,158,954	2,111,196	47,758
Capital outlay	432,205	458,354	419,155	39,199
Other	40,540	42,994	37,131	5,863
Total regular	<u>40,837,196</u>	<u>43,308,039</u>	<u>40,935,366</u>	<u>2,372,673</u>
Special:				
Salaries and wages	10,563,034	11,202,145	11,202,145	-
Employee benefits	4,430,929	4,699,022	4,699,022	-
Purchased services	3,373,684	3,577,808	3,549,492	28,316
Supplies and materials	312,830	331,758	311,691	20,067
Capital outlay	10,750	11,400	8,194	3,206
Other	35,402	37,544	24,164	13,380
Total special	<u>18,726,629</u>	<u>19,859,677</u>	<u>19,794,708</u>	<u>64,969</u>
Vocational:				
Salaries and wages	1,084,512	1,150,131	1,150,131	-
Employee benefits	404,030	428,477	428,477	-
Purchased services	209,481	222,156	213,248	8,908
Supplies and materials	67,282	71,352	66,288	5,064
Capital outlay	2,494	2,645	2,623	22
Other	45,368	48,113	46,176	1,937
Total vocational	<u>1,813,167</u>	<u>1,922,874</u>	<u>1,906,943</u>	<u>15,931</u>

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other:				
Salaries and wages	11,284	11,967	11,967	-
Employee benefits	5,553	5,891	5,891	-
Purchased services	1,348,490	1,430,081	1,400,646	29,435
Total other	1,365,327	1,447,939	1,418,504	29,435
Total instruction	62,742,319	66,538,529	64,055,521	2,483,008
Support services:				
Pupil:				
Salaries and wages	5,759,933	6,108,435	6,108,435	-
Employee benefits	2,061,778	2,186,523	2,186,523	-
Purchased services	185,299	196,510	180,202	16,308
Supplies and materials	132,814	140,849	133,681	7,168
Capital outlay	12,588	13,350	4,884	8,466
Other	14,339	15,206	14,013	1,193
Total pupil	8,166,751	8,660,873	8,627,738	33,135
Instructional staff:				
Salaries and wages	2,593,391	2,750,303	2,750,303	-
Employee benefits	1,096,751	1,163,109	1,163,109	-
Purchased services	138,264	146,628	138,719	7,909
Supplies and materials	94,624	100,350	94,047	6,303
Other	35,841	38,010	33,550	4,460
Total instructional staff	3,958,871	4,198,400	4,179,728	18,672
Board of education:				
Salaries and wages	18,034	19,125	19,125	-
Employee benefits	2,760	2,926	2,926	-
Purchased services	1,274,945	1,352,086	1,336,628	15,458
Supplies and materials	11,715	12,425	9,965	2,460
Other	28,289	30,000	24,850	5,150
Total board of education	1,335,743	1,416,562	1,393,494	23,068
Administration:				
Salaries and wages	4,261,109	4,518,928	4,518,927	1
Employee benefits	1,889,189	2,003,492	2,003,492	-
Purchased services	236,802	251,130	228,323	22,807
Supplies and materials	177,818	188,577	181,244	7,333
Capital outlay	92,256	97,837	73,531	24,306
Other	21,478	22,776	20,841	1,935
Total administration	6,678,652	7,082,740	7,026,358	56,382

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Fiscal:				
Salaries and wages	900,882	955,389	955,389	-
Employee benefits	395,210	419,121	419,121	-
Purchased services	278,259	295,096	281,574	13,522
Supplies and materials	82,553	87,546	79,674	7,872
Capital outlay	660	700	-	700
Other	1,776,888	1,884,398	1,869,946	14,452
Total fiscal	3,434,452	3,642,250	3,605,704	36,546
Business:				
Salaries and wages	236,733	251,056	251,056	-
Employee benefits	115,221	122,190	122,190	-
Purchased services	401,359	425,644	413,611	12,033
Supplies and materials	1,696	1,799	1,571	228
Capital outlay	849	900	-	900
Other	520,435	551,923	550,852	1,071
Total business	1,276,293	1,353,512	1,339,280	14,232
Operations and maintenance of plant:				
Salaries and wages	4,811,509	5,102,629	5,102,629	-
Employee benefits	2,061,327	2,186,049	2,186,049	-
Purchased services	3,157,233	3,348,260	3,110,439	237,821
Supplies and materials	1,015,229	1,076,654	1,042,410	34,244
Capital outlay	114,575	121,507	120,344	1,163
Other	12,538	13,296	12,441	855
Total operations and maintenance of plant	11,172,411	11,848,395	11,574,312	274,083
Pupil transportation:				
Salaries and wages	2,138,813	2,268,222	2,268,222	-
Employee benefits	909,400	964,423	964,423	-
Purchased services	926,621	982,687	947,507	35,180
Supplies and materials	543,055	573,493	488,776	84,717
Other	6,884	7,300	1,506	5,794
Total pupil transportation	4,524,773	4,796,125	4,670,434	125,691

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Central:				
Salaries and wages	1,512,410	1,603,918	1,603,917	1
Employee benefits	696,990	739,161	739,161	-
Purchased services	728,590	772,672	732,635	40,037
Supplies and materials	553,510	586,999	582,977	4,022
Capital outlay	658,859	698,723	694,808	3,915
Other	10,022	10,628	9,563	1,065
Total central	4,160,381	4,412,101	4,363,061	49,040
Total support services	44,708,327	47,410,958	46,780,109	630,849
Operation of non-instructional services:				
Community services:				
Employee benefits	1,149	1,218	1,218	-
Purchased services	43,918	46,575	43,641	2,934
Total operation of non-instructional services	45,067	47,793	44,859	2,934
Extracurricular activities:				
Academic and subject oriented:				
Salaries and wages	160,223	169,918	169,918	-
Employee benefits	34,740	36,843	36,843	-
Purchased services	252	268	-	268
Supplies and materials	7,083	7,512	7,095	417
Capital outlay	250	265	239	26
Other	5,568	5,905	4,954	951
Total academic and subject oriented	208,116	220,711	219,049	1,662
Occupational oriented:				
Employee benefits	5	6	6	-

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Sports oriented:				
Salaries and wages	602,160	638,593	638,593	-
Employee benefits	149,565	158,614	158,614	-
Purchased services	25,207	26,733	25,495	1,238
Supplies and materials	14,602	15,485	12,686	2,799
Other	14,144	15,000	15,000	-
Total sports oriented	805,678	854,425	850,388	4,037
Co-curricular activities:				
Salaries and wages	45,680	48,444	48,444	-
Employee benefits	7,137	7,569	7,569	-
Purchased services	6,601	7,000	3,500	3,500
Other	1,461	1,549	1,549	-
Total co-curricular activities	60,879	64,562	61,062	3,500
Total extracurricular activities	1,074,678	1,139,704	1,130,505	9,199
Total expenditures	108,570,391	115,136,984	112,010,994	3,125,990
Excess of revenues over (under) expenditures	85,435,635	(7,840,565)	1,987,661	9,828,226
Other financing sources (uses):				
Insurance proceeds	9,846	2,503	2,537	34
Transfers – in	40,000	40,000	82,278	42,278
Transfers – out	(232,935)	(247,029)	(246,740)	289
Advances – in	751,696	191,076	193,697	2,621
Advances – out	(236,680)	(251,000)	(250,827)	173
Total other financing sources (uses)	331,927	(264,450)	(219,055)	45,395
Net change in fund balance	85,767,562	(8,105,015)	1,768,606	9,873,621
Fund balance at beginning of year	29,917,945	29,917,945	29,917,945	-
Prior year encumbrances appropriated	3,595,010	3,595,010	3,595,010	-
Fund balance at end of year	\$ 119,280,517	\$ 25,407,940	\$ 35,281,561	\$ 9,873,621

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	\$ 18,000	\$ 18,000	\$ 25,260	\$ 7,260
Expenditures:				
Current:				
Extracurricular activities:				
Co-curricular activities:				
Purchased services	8,668	8,668	582	8,086
Other	59,400	59,400	27,750	31,650
Total expenditures	68,068	68,068	28,332	39,736
Net change in fund balance	(50,068)	(50,068)	(3,072)	46,996
Fund balance at beginning of year	50,844	50,844	50,844	-
Fund balance at end of year	\$ 776	\$ 776	\$ 47,772	\$ 46,996

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, 2023

	Budget			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Extracurricular activities	\$ 74,197	\$ 81,686	\$ 36,476	\$ (45,210)
Classroom materials and fees	3,944	4,342	1,939	(2,403)
Miscellaneous	70,472	77,587	34,645	(42,942)
Total revenues	148,613	163,615	73,060	(90,555)
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased services	37,121	47,570	4,700	42,870
Supplies and materials	6,318	8,096	5,508	2,588
Other	1,561	2,000	-	2,000
Total regular	45,000	57,666	10,208	47,458
Vocational:				
Purchased services	624	800	-	800
Supplies and materials	1,873	2,401	2,398	3
Other	1,717	2,200	1,800	400
Total vocational	4,214	5,401	4,198	1,203
Total instruction	49,214	63,067	14,406	48,661
Support services:				
Pupil:				
Purchased services	29,439	37,726	12,413	25,313
Supplies and materials	36,009	46,146	34,867	11,279
Capital outlay	4,197	5,378	377	5,001
Other	61,013	78,186	24,735	53,451
Total pupil	130,658	167,436	72,392	95,044

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Extracurricular activities:				
Co-curricular activities:				
Purchased services	2,458	3,149	800	2,349
Supplies and materials	18,330	23,490	6,890	16,600
Capital outlay	780	1,000	-	1,000
Other	2,692	3,450	242	3,208
Total co-curricular activities	24,260	31,089	7,932	23,157
Total expenditures	204,132	261,592	94,730	166,862
Excess of revenues (under) over expenditures	(55,519)	(97,977)	(21,670)	76,307
Other financing uses:				
Transfers – out	(10,867)	(13,926)	(82,278)	(68,352)
Net change in fund balance	(66,386)	(111,903)	(103,948)	7,955
Fund balance at beginning of year	244,229	244,229	244,229	-
Prior year encumbrances appropriated	45,517	45,517	45,517	-
Fund balance at end of year	\$ 223,360	\$ 177,843	\$ 185,798	\$ 7,955

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

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 71,005	\$ 92,520	\$ 60,239	\$ (32,281)
Grants	422,581	550,622	358,507	(192,115)
Miscellaneous	55,447	72,248	47,040	(25,208)
Total revenues	549,033	715,390	465,786	(249,604)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	219,667	322,888	58,029	264,859
Employee benefits	1,982	2,915	28,845	(25,930)
Purchased services	76,858	112,973	103,594	9,379
Supplies and materials	119,236	175,264	174,645	619
Capital outlay	51,588	75,828	71,646	4,182
Other	18,728	27,528	27,528	-
Total regular	488,059	717,396	464,287	253,109
Special:				
Purchased services	141	207	-	207
Supplies and materials	699	1,027	350	677
Total special	840	1,234	350	884
Total instruction	488,899	718,630	464,637	253,993
Support services:				
Pupil:				
Purchased services	337	495	495	-
Supplies and materials	502	739	234	505
Total pupil	839	1,234	729	505
Instructional staff:				
Salaries and wages	-	-	6,383	(6,383)
Employee benefits	-	-	1,018	(1,018)
Purchased services	86,075	126,521	75,604	50,917
Supplies and materials	103,599	152,280	109,804	42,476
Total instructional staff	189,674	278,801	192,809	85,992

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Administration:				
Purchased services	1,088	1,600	1,350	250
Supplies and materials	1,546	2,273	1,902	371
Other	578	850	340	510
Total administration	3,212	4,723	3,592	1,131
Pupil transportation:				
Purchased services	1,520	2,234	2,459	(225)
Total support services	195,245	286,992	199,589	87,403
Operation of non-instructional services:				
Community services:				
Supplies and materials	7,484	11,000	-	11,000
Total expenditures	691,628	1,016,622	664,226	352,396
Excess of revenues (under)				
over expenditures	(142,595)	(301,232)	(198,440)	102,792
Other financing sources (uses):				
Transfers – in	11,821	15,403	10,029	(5,374)
Transfers – out	(36,594)	(53,790)	-	53,790
Advances – in	266,481	347,224	226,076	(121,148)
Advances – out	(131,777)	(193,697)	(193,697)	-
Total other financing sources (uses)	109,931	115,140	42,408	(72,732)
Net change in fund balance	(32,664)	(186,092)	(156,032)	30,060
Fund balance at beginning of year	34,675	34,675	34,675	-
Prior year encumbrances appropriated	153,427	153,427	153,427	-
Fund balance at end of year	\$ 155,438	\$ 2,010	\$ 32,070	\$ 30,060

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Extracurricular activities	\$ 95,199	\$ 119,332	\$ 59,831	\$ (59,501)
Miscellaneous	3,421	4,288	2,150	(2,138)
Total revenues	<u>98,620</u>	<u>123,620</u>	<u>61,981</u>	<u>(61,639)</u>
Expenditures:				
Current:				
Support services:				
Pupil:				
Purchased services	7,391	9,750	5,210	4,540
Supplies and materials	986	1,300	996	304
Other	4,640	6,123	3,014	3,109
Total pupil	<u>13,017</u>	<u>17,173</u>	<u>9,220</u>	<u>7,953</u>
Extracurricular activities:				
Purchased services	23,409	30,880	20,263	10,617
Supplies and materials	21,383	28,209	5,232	22,977
Other	41,171	54,314	24,576	29,738
Total extracurricular activities	<u>85,963</u>	<u>113,403</u>	<u>50,071</u>	<u>63,332</u>
Total expenditures	<u>98,980</u>	<u>130,576</u>	<u>59,291</u>	<u>71,285</u>
Excess of revenues (under) over expenditures	(360)	(6,956)	2,690	9,646
Other financing uses:				
Transfers – out	<u>(1,021)</u>	<u>(1,347)</u>	<u>-</u>	<u>1,347</u>
Net change in fund balance	(1,381)	(8,303)	2,690	10,993
Fund balance at beginning of year	58,126	58,126	58,126	-
Prior year encumbrances appropriated	<u>6,923</u>	<u>6,923</u>	<u>6,923</u>	<u>-</u>
Fund balance at end of year	<u>\$ 63,668</u>	<u>\$ 56,746</u>	<u>\$ 67,739</u>	<u>\$ 10,993</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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Extracurricular activities	\$ 160,740	\$ 160,740	\$ 133,479	\$ (27,261)
Miscellaneous	24,658	24,658	20,476	(4,182)
Total revenues	<u>185,398</u>	<u>185,398</u>	<u>153,955</u>	<u>(31,443)</u>
Expenditures:				
Extracurricular activities:				
Purchased services	266,191	266,191	224,604	41,587
Supplies and materials	195,655	195,655	169,937	25,718
Capital outlay	11,617	11,617	11,617	-
Other	39,637	39,637	11,708	27,929
Total expenditures	<u>513,100</u>	<u>513,100</u>	<u>417,866</u>	<u>95,234</u>
Excess of revenues (under)				
over expenditures	<u>(327,702)</u>	<u>(327,702)</u>	<u>(263,911)</u>	<u>63,791</u>
Other financing sources (uses):				
Transfers – in	280,720	280,720	233,111	(47,609)
Transfers – out	<u>(14,006)</u>	<u>(14,006)</u>	<u>-</u>	<u>14,006</u>
Total other financing sources (uses)	<u>266,714</u>	<u>266,714</u>	<u>233,111</u>	<u>(33,603)</u>
Net change in fund balance	(60,988)	(60,988)	(30,800)	30,188
Fund balance at beginning of year	80,912	80,912	80,912	-
Prior year encumbrances appropriated	<u>52,106</u>	<u>52,106</u>	<u>52,106</u>	<u>-</u>
Fund balance at end of year	<u>\$ 72,030</u>	<u>\$ 72,030</u>	<u>\$ 102,218</u>	<u>\$ 30,188</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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 580,005	\$ 1,009,627	\$ 755,277	\$ (254,350)
Earnings on investments	4,654	8,102	6,061	(2,041)
Total revenues	<u>584,659</u>	<u>1,017,729</u>	<u>761,338</u>	<u>(256,391)</u>
Expenditures:				
Current:				
Operation of non-instructional services:				
Community services:				
Purchased services	307,111	584,039	543,572	40,467
Supplies and materials	163,053	310,080	282,150	27,930
Capital outlay	97,276	184,992	182,959	2,033
Total expenditures	<u>567,440</u>	<u>1,079,111</u>	<u>1,008,681</u>	<u>70,430</u>
Net change in fund balance	17,219	(61,382)	(247,343)	(185,961)
Fund balance at beginning of year	127,712	127,712	127,712	-
Prior year encumbrances appropriated	<u>119,633</u>	<u>119,633</u>	<u>119,633</u>	<u>-</u>
Fund balance at end of year	\$ <u><u>264,564</u></u>	\$ <u><u>185,963</u></u>	\$ <u><u>2</u></u>	\$ <u><u>(185,961)</u></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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 156,000	\$ 156,000	\$ 113,669	\$ (42,331)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	156,000	156,000	89,713	66,287
Employee benefits	-	-	39,169	(39,169)
Total expenditures	156,000	156,000	128,882	27,118
Net change in fund balance	-	-	(15,213)	(15,213)
Fund balance at beginning of year	-	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ -	\$ (15,213)	\$ (15,213)

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, 2023

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

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 45,000	\$ 71,627	\$ 26,627
Expenditures:				
Current:				
Pupil transportation:				
Capital outlay	-	45,000	45,000	-
Net change in fund balance	-	-	26,627	26,627
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ 26,627	\$ 26,627

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 6,832,230	\$ 12,936,169	\$ 6,140,891	\$ (6,795,278)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	1,011,401	2,142,128	1,070,392	1,071,736
Employee benefits	200,120	423,850	416,445	7,405
Purchased services	27,857	59,000	56,304	2,696
Supplies and materials	1,465,914	3,104,780	1,037,131	2,067,649
Other	-	-	101,223	(101,223)
Total regular	2,705,292	5,729,758	2,681,495	3,048,263
Special:				
Salaries and wages	32,229	68,260	60,585	7,675
Employee benefits	16,856	35,700	31,580	4,120
Purchased services	14,070	29,800	6,652	23,148
Supplies and materials	2,361	5,000	3,608	1,392
Capital outlay	11,804	25,000	-	25,000
Total special	77,320	163,760	102,425	61,335
Other:				
Salaries and wages	582,904	1,234,579	1,504,688	(270,109)
Employee benefits	181,720	384,879	351,420	33,459
Purchased services	453,789	961,118	617,648	343,470
Supplies and materials	290,592	615,469	159,639	455,830
Other	12,748	27,000	-	27,000
Total other	1,521,753	3,223,045	2,633,395	589,650
Total instruction	4,304,365	9,116,563	5,417,315	3,699,248
Support services:				
Pupil:				
Salaries and wages	155,694	329,757	316,389	13,368
Employee benefits	62,215	131,769	128,952	2,817
Purchased services	268,631	568,957	135,680	433,277
Supplies and materials	97,042	205,534	82,920	122,614
Total pupil	583,582	1,236,017	663,941	572,076
Instructional staff:				
Purchased services	1,039	2,200	-	2,200

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Administration:				
Salaries and wages	62,668	132,730	115,628	17,102
Employee benefits	18,130	38,400	58,084	(19,684)
Purchased services	35,411	75,000	75,000	-
Total administration	116,209	246,130	248,712	(2,582)
Operations and maintenance of plant:				
Salaries and wages	169,964	359,980	318,104	41,876
Employee benefits	60,140	127,375	111,601	15,774
Purchased services	50,340	106,620	57,020	49,600
Capital outlay	26,889	56,950	56,950	-
Total operations and maintenance of plant	307,333	650,925	543,675	107,250
Pupil transportation:				
Salaries and wages	118,037	250,000	-	250,000
Purchased services	20,297	42,988	-	42,988
Total pupil transportation	138,334	292,988	-	292,988
Central:				
Salaries and wages	26,287	55,675	49,618	6,057
Employee benefits	4,249	9,000	7,707	1,293
Purchased services	66,524	140,897	140,897	-
Total central	97,060	205,572	198,222	7,350
Total support services	1,243,557	2,633,832	1,654,550	979,282
Operation of non-instructional services:				
Community services:				
Salaries and wages	42,798	90,645	84,963	5,682
Employee benefits	26,362	55,835	51,362	4,473
Purchased services	200,019	423,635	39,774	383,861
Supplies and materials	182,899	387,375	5,378	381,997
Total operation of non-instructional services	452,078	957,490	181,477	776,013
Total expenditures	6,000,000	12,707,885	7,253,342	5,454,543
Net change in fund balance	832,230	228,284	(1,112,451)	(1,340,735)
Fund (deficit) at beginning of year	(832,231)	(832,231)	(832,231)	-
Prior year encumbrances appropriated	603,947	603,947	603,947	-
Fund balance (deficit) at end of year	\$ 603,946	\$ -	\$ (1,340,735)	\$ (1,340,735)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 1,081,623	\$ 1,081,623	\$ 923,956	\$ (157,667)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	80,660	80,660	128,112	(47,452)
Employee benefits	17,210	17,210	30,740	(13,530)
Purchased services	132,508	132,508	107,264	25,244
Supplies and materials	128,724	128,724	70,007	58,717
Capital outlay	56,094	56,094	54,730	1,364
Other	19,665	19,665	13,367	6,298
Total regular	434,861	434,861	404,220	30,641
Support services:				
Pupil:				
Salaries and wages	215,908	215,908	211,997	3,911
Employee benefits	94,957	94,957	86,702	8,255
Total pupil	310,865	310,865	298,699	12,166
Instructional staff:				
Purchased services	19,287	19,287	13,500	5,787
Administration:				
Purchased services	121,170	121,170	120,000	1,170
Fiscal:				
Other	5,071	5,071	19,832	(14,761)
Pupil transportation:				
Purchased services	60,340	60,340	41,234	19,106
Central:				
Purchased services	46,000	46,000	46,000	-
Total support services	562,733	562,733	539,265	23,468

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Operation of non-instructional services:				
Community services:				
Other	6,755	6,755	290	6,465
Total expenditures	1,004,349	1,004,349	943,775	60,574
Net change in fund balance	77,274	77,274	(19,819)	(97,093)
Fund (deficit) at beginning of year	(281,622)	(281,622)	(281,622)	-
Prior year encumbrances appropriated	204,350	204,350	204,350	-
Fund balance (deficit) at end of year	\$ 2	\$ 2	\$ (97,091)	\$ (97,093)

Cleveland Heights-University Heights City School District

Governor's Emergency Education 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 533,548	\$ 533,548	\$ 461,785	\$ (71,763)
Expenditures:				
Current:				
Operation of non-instructional services:				
Community services:				
Capital outlay	533,548	533,548	471,550	61,998
Net change in fund balance	-	-	(9,765)	(9,765)
Fund balance at beginning of year	-	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ -	\$ (9,765)	\$ (9,765)

Cleveland Heights-University Heights City School District

Title I School 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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 165,319	\$ 165,319	\$ 48,230	\$ (117,089)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	18,444	18,444	2,356	16,088
Employee benefits	-	-	396	(396)
Purchased services	39,000	39,000	25,965	13,035
Total regular	57,444	57,444	28,717	28,727
Support services:				
Instructional staff:				
Supplies and materials	15,475	15,475	-	15,475
Instructional staff:				
Salaries and wages	-	-	2,588	(2,588)
Employee benefits	-	-	411	(411)
Purchased services	90,400	90,400	64,399	26,001
Supplies and materials	2,000	2,000	650	1,350
Total instructional staff	92,400	92,400	68,048	24,352
Total support services	107,875	107,875	68,048	39,827
Total expenditures	165,319	165,319	96,765	68,554
Net change in fund balance	-	-	(48,535)	(48,535)
Fund balance at beginning of year	-	-	-	-
Fund deficit at end of year	\$ -	\$ -	\$ (48,535)	\$ (48,535)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 2,256,659	\$ 3,114,584	\$ 2,030,938	\$ (1,083,646)
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	286,624	407,305	353,700	53,605
Employee benefits	264,216	375,462	348,159	27,303
Purchased services	66,852	95,000	65,000	30,000
Supplies and materials	173,699	246,833	245,792	1,041
Total special	791,391	1,124,600	1,012,651	111,949
Support services:				
Pupil:				
Purchased services	25,158	35,750	35,750	-
Instructional staff:				
Salaries and wages	74,621	106,040	113,894	(7,854)
Employee benefits	17,593	25,001	28,150	(3,149)
Purchased services	94,311	134,020	127,400	6,620
Supplies and materials	29,292	41,625	-	41,625
Other	244,198	347,016	-	347,016
Total instructional staff	460,015	653,702	269,444	384,258
Administration:				
Salaries and wages	238,769	339,300	307,949	31,351
Employee benefits	103,631	147,264	147,272	(8)
Total administration	342,400	486,564	455,221	31,343
Fiscal:				
Other	49,953	70,985	1,898	69,087
Total support services	877,526	1,247,001	762,313	484,688

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Operation of non-instructional services:				
Community services:				
Salaries and wages	280,020	397,920	216,316	181,604
Employee benefits	134,199	190,703	113,930	76,773
Purchased services	10,556	15,000	13,584	1,416
Supplies and materials	42,938	61,016	26,312	34,704
Total community services	467,713	664,639	370,142	294,497
Total expenditures	2,136,630	3,036,240	2,145,106	891,134
Net change in fund balance	120,029	78,344	(114,168)	(192,512)
Fund (deficit) at beginning of year	(120,029)	(120,029)	(120,029)	-
Prior year encumbrances appropriated	41,685	41,685	41,685	-
Fund balance (deficit) at end of year	\$ 41,685	\$ -	\$ (192,512)	\$ (192,512)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 713,474	\$ 713,474	\$ 385,246	\$ (328,228)
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and wages	8,000	8,000	72,283	(64,283)
Employee benefits	-	-	21,971	(21,971)
Purchased services	116,833	116,833	62,498	54,335
Supplies and materials	65,203	65,203	40,679	24,524
Capital outlay	170,274	170,274	148,592	21,682
Other	2,800	2,800	1,554	1,246
Total vocational	363,110	363,110	347,577	15,533
Support services:				
Instructional staff:				
Salaries and wages	17,952	17,952	3,288	14,664
Employee benefits	21,389	21,389	376	21,013
Purchased services	274,125	274,125	189,142	84,983
Other	1,700	1,700	1,016	684
Total instructional staff	315,166	315,166	193,822	121,344
Total expenditures	678,276	678,276	541,399	136,877
Net change in fund balance	35,198	35,198	(156,153)	(191,351)
Fund deficit at beginning of year	(270,743)	(270,743)	(270,743)	-
Prior year encumbrances appropriated	235,546	235,546	235,546	-
Fund balance (deficit) at end of year	\$ 1	\$ 1	\$ (191,350)	\$ (191,351)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 19,994	\$ 29,404	\$ 16,257	\$ (13,147)
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	1,100	3,164	-	3,164
Purchased services	1,128	3,246	3,246	-
Supplies and materials	1,381	3,975	3,600	375
Other	174	500	-	500
Total special	3,783	10,885	6,846	4,039
Support services:				
Instructional staff:				
Salaries and wages	348	1,000	-	1,000
Employee benefits	61	175	-	175
Purchased services	817	2,350	2,000	350
Total instructional staff	1,226	3,525	2,000	1,525
Fiscal:				
Other	5	15	469	(454)
Total support services	1,231	3,540	2,469	1,071
Operation of non-instructional services:				
Community services:				
Salaries and wages	87	250	-	250
Employee benefits	16	45	-	45
Purchased services	4,679	13,464	6,962	6,502
Total community services	4,782	13,759	6,962	6,797
Total expenditures	9,796	28,184	16,277	11,907
Net change in fund balance	10,198	1,220	(20)	(1,240)
Fund deficit at beginning of year	(10,199)	(10,199)	(10,199)	-
Prior year encumbrances appropriated	8,980	8,980	8,980	-
Fund balance (deficit) at end of year	\$ 8,979	\$ 1	\$ (1,239)	\$ (1,240)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 3,759,071	\$ 4,004,695	\$ 2,720,983	\$ (1,283,712)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	27,677	42,327	7,955	34,372
Employee benefits	-	-	1,001	(1,001)
Purchased services	19,582	29,947	26,157	3,790
Supplies and materials	20,712	31,675	22,493	9,182
Capital outlay	2,746	4,200	4,200	-
Total regular	70,717	108,149	61,806	46,343
Special:				
Salaries and wages	675,060	1,032,387	1,154,745	(122,358)
Employee benefits	279,355	427,225	454,851	(27,626)
Purchased services	7,819	11,958	-	11,958
Supplies and materials	10,991	16,810	7,459	9,351
Total special	973,225	1,488,380	1,617,055	(128,675)
Total instruction	1,043,942	1,596,529	1,678,861	(82,332)
Support services:				
Instructional staff:				
Salaries and wages	73,235	112,000	148,440	(36,440)
Employee benefits	29,425	45,000	49,941	(4,941)
Purchased services	398,393	609,274	340,232	269,042
Supplies and materials	28,984	44,326	3,764	40,562
Total instructional staff	530,037	810,600	542,377	268,223
Administration:				
Salaries and wages	36,500	55,820	51,602	4,218
Employee benefits	12,859	19,665	19,664	1
Purchased services	1,308	2,000	2,000	-
Supplies and materials	4,276	6,540	6,540	-
Total administration	54,943	84,025	79,806	4,219
Fiscal:				
Other	23,765	36,345	52,371	(16,026)

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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Pupil transportation:				
Purchased services	5,885	9,000	-	9,000
Total support services	614,630	939,970	674,554	265,416
Operation of non-instructional services:				
Community services:				
Salaries and wages	1,635	2,500	2,347	153
Employee benefits	458	700	340	360
Purchased services	825,954	1,263,153	682,651	580,502
Supplies and materials	22,925	35,058	19,698	15,360
Other	-	-	7,398	(7,398)
Total community services	850,972	1,301,411	712,434	588,977
Total expenditures	2,509,544	3,837,910	3,065,849	772,061
Net change in fund balance	1,249,527	166,785	(344,866)	(511,651)
Fund deficit at beginning of year	(1,249,529)	(1,249,529)	(1,249,529)	-
Prior year encumbrances appropriated	1,082,744	1,082,744	1,082,744	-
Fund balance (deficit) at end of year	\$ 1,082,742	\$ -	\$ (511,651)	\$ (511,651)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 215,528	\$ 360,189	\$ 221,119	\$ (139,070)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	10,229	20,651	1,994	18,657
Employee benefits	-	-	24	(24)
Purchased services	17,683	35,700	35,700	-
Supplies and materials	40,732	82,231	78,470	3,761
Total regular	68,644	138,582	116,188	22,394
Support services:				
Pupil:				
Purchased services	997	2,013	-	2,013
Instructional staff:				
Salaries and wages	2,477	5,000	9,226	(4,226)
Employee benefits	433	875	1,353	(478)
Purchased services	45,617	92,095	85,500	6,595
Supplies and materials	322	650	-	650
Total instructional staff	48,849	98,620	96,079	2,541
Fiscal:				
Other	2,111	4,262	925	3,337
Total support services	51,957	104,895	97,004	7,891
Operation of non-instructional services:				
Community services:				
Salaries and wages	991	2,000	-	2,000
Employee benefits	173	350	-	350
Purchased services	29,729	60,018	40,118	19,900
Supplies and materials	20,094	40,566	26,545	14,021
Other	2,509	5,065	5,715	(650)
Total community services	53,496	107,999	72,378	35,621
Total expenditures	174,097	351,476	285,570	65,906
Net change in fund balance	41,431	8,713	(64,451)	(73,164)
Fund deficit at beginning of year	(41,431)	(41,431)	(41,431)	-
Prior year encumbrances appropriated	32,718	32,718	32,718	-
Fund balance (deficit) at end of year	\$ 32,718	\$ -	\$ (73,164)	\$ (73,164)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 48,858	\$ 82,933	\$ 47,206	\$ (35,727)
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	9,055	23,589	21,996	1,593
Employee benefits	3,620	9,429	11,050	(1,621)
Purchased services	6,222	16,207	-	16,207
Supplies and materials	6,569	17,112	860	16,252
Capital outlay	5,890	15,344	15,315	29
Total expenditures	31,356	81,681	49,221	32,460
Net change in fund balance	17,502	1,252	(2,015)	(3,267)
Fund (deficit) at beginning of year	(17,501)	(17,501)	(17,501)	-
Prior year encumbrances appropriated	16,250	16,250	16,250	-
Fund balance (deficit) at end of year	\$ 16,251	\$ 1	\$ (3,266)	\$ (3,267)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 423,810	\$ 496,298	\$ 352,042	\$ (144,256)
Expenditures:				
Current:				
Support services:				
Instructional staff:				
Salaries and wages	35,470	52,325	66,544	(14,219)
Employee benefits	5,355	7,900	8,447	(547)
Purchased services	135,434	199,788	197,597	2,191
Supplies and materials	1,463	2,159	2,159	-
Total instructional staff	177,722	262,172	274,747	(12,575)
Fiscal:				
Other	4,698	6,931	8,670	(1,739)
Central:				
Purchased services	25,230	37,218	33,500	3,718
Supplies and materials	2,373	3,500	1,500	2,000
Total central	27,603	40,718	35,000	5,718
Total support services	210,023	309,821	318,417	(8,596)
Operation of non-instructional services:				
Community services:				
Purchased services	101,243	149,350	85,871	63,479
Supplies and material	1,839	2,713	2,409	304
Other	-	-	2,320	(2,320)
Total community services	103,082	152,063	90,600	61,463
Total expenditures	313,105	461,884	409,017	52,867
Net change in fund balance	110,705	34,414	(56,975)	(91,389)
Fund deficit at beginning of year	(110,705)	(110,705)	(110,705)	-
Prior year encumbrances appropriated	76,289	76,289	76,289	-
Fund balance (deficit) at end of year	\$ 76,289	\$ (2)	\$ (91,391)	\$ (91,389)

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 1,192,802	\$ 3,020,900	\$ 1,645,142	\$ (1,375,758)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	120,598	457,103	-	457,103
Purchased services	317,400	1,203,039	768,590	434,449
Supplies and materials	59,230	224,500	219,999	4,501
Other	1,187	4,500	1,100	3,400
Total regular	498,415	1,889,142	989,689	899,453
Support services:				
Pupil:				
Purchased services	20,212	76,608	76,608	-
Instructional staff:				
Purchased services	20,650	78,271	76,271	2,000
Supplies and materials	4,209	15,954	7,977	7,977
Total instructional staff	24,859	94,225	84,248	9,977
Administration:				
Salaries and wages	-	-	114,318	(114,318)
Employee benefits	-	-	57,847	(57,847)
Total administration	-	-	172,165	(172,165)
Fiscal:				
Other	890	3,374	-	3,374
Operations and maintenance of plant:				
Capital outlay	263,832	1,000,000	223,121	776,879
Pupil transportation:				
Purchased services	791	3,000	-	3,000
Total support services	310,584	1,177,207	556,142	621,065
Total expenditures	808,999	3,066,349	1,545,831	1,520,518
Excess of revenues over (under) expenditures	383,803	(45,449)	99,311	144,760

Continued

Cleveland Heights-University Heights City School District

Miscellaneous Federal 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing sources:				
Advances – in	17,946	45,449	24,751	(20,698)
Net change in fund balance	401,749	-	124,062	124,062
Fund deficit at beginning of year	(401,748)	(401,748)	(401,748)	-
Prior year encumbrances appropriated	401,748	401,748	401,748	-
Fund balance at end of year	\$ 401,749	\$ -	\$ 124,062	\$ 124,062

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 3,064,089	\$ 3,064,089	\$ 3,395,416	\$ 331,327
Intergovernmental	4,117,268	610,911	428,719	(182,192)
Total revenues	<u>7,181,357</u>	<u>3,675,000</u>	<u>3,824,135</u>	<u>149,135</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other	<u>17,459</u>	<u>71,500</u>	<u>71,444</u>	<u>56</u>
Operations and maintenance of plant:				
Purchased services	193,899	794,084	785,836	8,248
Capital outlay	<u>2,352,785</u>	<u>9,635,457</u>	<u>9,126,182</u>	<u>509,275</u>
Total operations and maintenance of plant	<u>2,546,684</u>	<u>10,429,541</u>	<u>9,912,018</u>	<u>517,523</u>
Pupil transportation:				
Capital outlay	<u>143,704</u>	<u>588,515</u>	<u>588,515</u>	<u>-</u>
Total support services	<u>2,707,847</u>	<u>11,089,556</u>	<u>10,571,977</u>	<u>517,579</u>
Debt service:				
Interest and fiscal charges	<u>143,553</u>	<u>587,900</u>	<u>587,900</u>	<u>-</u>
Total expenditures	<u>2,851,400</u>	<u>11,677,456</u>	<u>11,159,877</u>	<u>517,579</u>
Net change in fund balance	4,329,957	(8,002,456)	(7,335,742)	666,714
Fund balance at beginning of year	1,504,457	1,504,457	1,504,457	-
Prior year encumbrances appropriated	<u>7,622,956</u>	<u>7,622,956</u>	<u>7,622,956</u>	<u>-</u>
Fund balance at end of year	<u>\$ 13,457,370</u>	<u>\$ 1,124,957</u>	<u>\$ 1,791,671</u>	<u>\$ 666,714</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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 5,727,549	\$ 5,727,549	\$ 7,227,044	\$ 1,499,495
Intergovernmental	7,001,477	7,001,477	202,291	(6,799,186)
Total revenues	<u>12,729,026</u>	<u>12,729,026</u>	<u>7,429,335</u>	<u>(5,299,691)</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other	<u>99,000</u>	<u>99,000</u>	<u>154,151</u>	<u>(55,151)</u>
Debt service:				
Principal	1,550,000	1,550,000	1,710,000	(160,000)
Interest and fiscal charges	5,351,000	5,351,000	4,310,932	1,040,068
Total debt service	<u>6,901,000</u>	<u>6,901,000</u>	<u>6,020,932</u>	<u>880,068</u>
Total expenditures	<u>7,000,000</u>	<u>7,000,000</u>	<u>6,175,083</u>	<u>824,917</u>
Net change in fund balance	5,729,026	5,729,026	1,254,252	(4,474,774)
Fund balance at beginning of year	<u>900,089</u>	<u>900,089</u>	<u>900,089</u>	<u>-</u>
Fund balance at end of year	\$ <u><u>6,629,115</u></u>	\$ <u><u>6,629,115</u></u>	\$ <u><u>2,154,341</u></u>	\$ <u><u>(4,474,774)</u></u>

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Proprietary Funds Fund Descriptions

June 30, 2023

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, 2023

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 3,261,189	\$ 65,735	\$ 445	\$ 3,327,369
Intergovernmental receivable	92,088	-	-	92,088
Materials and supplies inventory	8,594	-	-	8,594
Inventory held for resale	22,234	-	-	22,234
Total current assets	<u>3,384,105</u>	<u>65,735</u>	<u>445</u>	<u>3,450,285</u>
Non-current assets:				
Nondepreciable capital assets	625,834	-	-	625,834
Depreciable capital assets, net	280,946	-	-	280,946
Total non-current assets	<u>906,780</u>	<u>-</u>	<u>-</u>	<u>906,780</u>
Total assets	<u>4,290,885</u>	<u>65,735</u>	<u>445</u>	<u>4,357,065</u>
Liabilities:				
Current liabilities:				
Accounts payable	449,829	-	-	449,829
Total liabilities	<u>449,829</u>	<u>-</u>	<u>-</u>	<u>449,829</u>
Net position:				
Net investment in capital assets	874,057	-	-	874,057
Unrestricted	2,966,999	65,735	445	3,033,179
Total net position	<u>\$ 3,841,056</u>	<u>\$ 65,735</u>	<u>\$ 445</u>	<u>\$ 3,907,236</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, 2023

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Operating revenues:				
Classroom materials and fees	\$ -	\$ 5,466	\$ -	\$ 5,466
Food services	173,101	-	-	173,101
Miscellaneous	1,102	-	2,791	3,893
Total operating revenues	<u>174,203</u>	<u>5,466</u>	<u>2,791</u>	<u>182,460</u>
Operating expenses:				
Purchased services	2,537,366	6,420	-	2,543,786
Supplies and materials	285,602	-	6,096	291,698
Depreciation	38,489	-	-	38,489
Other	1,536	39	-	1,575
Total operating expenses	<u>2,862,993</u>	<u>6,459</u>	<u>6,096</u>	<u>2,875,548</u>
Operating loss	<u>(2,688,790)</u>	<u>(993)</u>	<u>(3,305)</u>	<u>(2,693,088)</u>
Non-operating revenues:				
Federal donated commodities	288,168	-	-	288,168
Intergovernmental grants	3,217,380	-	-	3,217,380
Total non-operating revenues	<u>3,505,548</u>	<u>-</u>	<u>-</u>	<u>3,505,548</u>
Change in net position before transfers	816,758	(993)	(3,305)	812,460
Transfers – in	<u>-</u>	<u>-</u>	<u>3,600</u>	<u>3,600</u>
Change in net position	816,758	(993)	295	816,060
Net position at beginning of year	<u>3,024,298</u>	<u>66,728</u>	<u>150</u>	<u>3,091,176</u>
Net position at end of year	<u>\$ 3,841,056</u>	<u>\$ 65,735</u>	<u>\$ 445</u>	<u>\$ 3,907,236</u>

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2023

	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	\$ 167,984	\$ 5,466	\$ -	\$ 173,450
Cash received from other operating sources	1,102	-	2,791	3,893
Cash payments for materials and supplies	(170)	-	(6,096)	(6,266)
Cash payments for goods and service	(2,369,871)	(6,420)	-	(2,376,291)
Cash payments for other	-	(39)	-	(39)
Net cash used by operating activities	<u>(2,200,955)</u>	<u>(993)</u>	<u>(3,305)</u>	<u>(2,205,253)</u>
Cash flows from noncapital financing activities:				
Intergovernmental grants received	3,238,356	-	-	3,238,356
Transfers – in	-	-	3,600	3,600
Net cash provided by noncapital financing activities	<u>3,238,356</u>	<u>-</u>	<u>3,600</u>	<u>3,241,956</u>
Cash flows from capital financing activities:				
Acquisition of capital assets	<u>(593,076)</u>	<u>-</u>	<u>-</u>	<u>(593,076)</u>
Net increase (decrease) in cash and cash equivalents	444,325	(993)	295	443,627
Cash and cash equivalents at beginning of year	<u>2,816,864</u>	<u>66,728</u>	<u>150</u>	<u>2,883,742</u>
Cash and cash equivalents at end of year	<u>\$ 3,261,189</u>	<u>\$ 65,735</u>	<u>\$ 445</u>	<u>\$ 3,327,369</u>
Non-cash capital and noncapital financing activities:				
Federal donated commodities	\$ 288,168	\$ -	\$ -	\$ 288,168
Capital assets purchased on credit	32,723	-	-	32,723

Continued

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows Nonmajor Enterprise Funds (continued)

For the Fiscal Year Ended June 30, 2023

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Reconciliation of operating loss to net cash used by operating activities:				
Operating loss	\$ (2,688,790)	\$ (993)	\$ (3,305)	\$ (2,693,088)
Adjustments:				
Depreciation	38,489	-	-	38,489
Federal donated commodities	288,168	-	-	288,168
Changes in assets/liabilities:				
Intergovernmental receivable	(5,117)	-	-	(5,117)
Prepaid items	45	-	-	45
Materials and supplies inventories	(196)	-	-	(196)
Inventory held for resale	(2,540)	-	-	(2,540)
Accounts payable	169,049	-	-	169,049
Intergovernmental payable	(63)	-	-	(63)
Total adjustments	<u>487,835</u>	<u>-</u>	<u>-</u>	<u>487,835</u>
Net cash used by operating activities	\$ <u>(2,200,955)</u>	\$ <u>(993)</u>	\$ <u>(3,305)</u>	\$ <u>(2,205,253)</u>

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



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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Food services	\$ 131,876	\$ 131,876	\$ 167,984	\$ 36,108
Miscellaneous	865	865	1,102	237
Operating grants	2,542,260	2,542,260	3,238,356	696,096
Total revenues	<u>2,675,001</u>	<u>2,675,001</u>	<u>3,407,442</u>	<u>732,441</u>
Expenses:				
Food service operations:				
Salaries and wages	131	131	-	131
Purchased services	3,417,560	3,417,560	3,052,358	365,202
Supplies and materials	3,181	3,181	1,280	1,901
Other	-	-	1,536	(1,536)
Total expenses	<u>3,420,872</u>	<u>3,420,872</u>	<u>3,055,174</u>	<u>365,698</u>
Net change in fund equity	(745,871)	(745,871)	352,268	1,098,139
Fund equity at beginning of year	2,006,492	2,006,492	2,006,492	-
Prior year encumbrances appropriated	<u>810,372</u>	<u>810,372</u>	<u>810,372</u>	<u>-</u>
Fund equity at end of year	\$ <u><u>2,070,993</u></u>	\$ <u><u>2,070,993</u></u>	\$ <u><u>3,169,132</u></u>	\$ <u><u>1,098,139</u></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, 2023

	Budget			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Classroom materials and fees	\$ 6,000	\$ 6,000	\$ 5,466	\$ (534)
Expenses:				
Supplies and materials	54,110	54,110	-	54,110
Other	2,500	2,500	39	2,461
Capital outlay	8,390	8,390	6,420	1,970
Total expenses	65,000	65,000	6,459	58,541
Net change in fund equity	(59,000)	(59,000)	(993)	58,007
Fund equity at beginning of year	66,728	66,728	66,728	-
Fund equity at end of year	\$ 7,728	\$ 7,728	\$ 65,735	\$ 58,007

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, 2023

	Budget			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 4,367	\$ 4,367	\$ 2,791	\$ (1,576)
Expenses:				
Supplies and materials	8,100	8,100	6,096	2,004
Other	1,900	1,900	-	1,900
Total expenses	10,000	10,000	6,096	3,904
Excess of revenues under expenses	(5,633)	(5,633)	(3,305)	2,328
Other financing sources:				
Transfers – in	5,633	5,633	3,600	(2,033)
Net change in fund equity	-	-	295	295
Fund equity at beginning of year	150	150	150	-
Fund equity at end of year	\$ 150	\$ 150	\$ 445	\$ 295

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, 2023

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Miscellaneous	\$ 20,000,000	\$ 20,000,000	\$ 19,470,592	\$ (529,408)
Expenses:				
Employee benefits	19,972,068	21,974,138	20,940,562	1,033,576
Purchases services	23,388	25,732	12,694	13,038
Supplies and materials	4,544	5,000	-	5,000
Total expenses	20,000,000	22,004,870	20,953,256	1,051,614
Net change in fund equity	-	(2,004,870)	(1,482,664)	522,206
Fund equity at beginning of year	8,409,926	8,409,926	8,409,926	-
Prior year encumbrances appropriated	4,870	4,870	4,870	-
Fund equity at end of year	\$ 8,414,796	\$ 6,409,926	\$ 6,932,132	\$ 522,206

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS SCHOOL DISTRICT

University Heights, Ohio

STATISTICAL SECTION



Cora Pinkerton
Gr 6 Roxboro Middle School

Cleveland Heights-University Heights City School District

Statistical Section

June 30, 2023

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
	2014	2015	2016	2017	2018	2019	2020 (a)	2021	2022	2023	
Governmental activities:											
Net investment in capital assets	\$ 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	\$ 25,621,992	
Restricted for:											
STRS OPEB	-	-	-	-	-	-	-	-	-	1,737,511	
Capital projects	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	5,959,571	
Debt service	2,907,465	3,879,732	4,055,002	3,143,643	-	-	-	-	-	-	
Other purposes	372,466	328,565	865,805	235,382	529,568	611,900	884,198	722,957	437,972	376,550	
Qualified zone academy bond retirement	4,401,300	4,582,819	4,768,679	4,955,750	5,146,803	5,355,823	-	-	-	-	
Unrestricted (deficit)	(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)	(56,643,252)	
Total net position – governmental activities	(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)	(22,947,628)	
Business-type activities:											
Net investment in capital assets	440,105	407,689	375,274	70,508	58,826	146,412	292,461	279,381	319,470	874,057	
Unrestricted (deficit)	(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	3,033,179	
Total net position – business-type activities	(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	3,907,236	
Primary government:											
Net investment in capital assets	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	26,496,049	
Restricted for:											
STRS OPEB	-	-	-	-	-	-	-	-	-	1,737,511	
Capital projects	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	5,959,571	
Debt service	2,907,465	3,879,732	4,055,002	3,143,643	-	-	-	-	-	-	
Other purposes	372,466	328,565	865,805	235,382	529,568	611,900	884,198	722,957	437,972	376,550	
Qualified zone academy bond retirement	4,401,300	4,582,819	4,768,679	4,955,750	5,146,803	5,355,823	-	-	-	-	
Unrestricted (deficit)	(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)	(53,610,073)	
Total net position – primary government	\$ (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)	\$ (19,040,392)	

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

Expenses:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Regular instruction	\$ 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	\$ 43,369,760
Special instruction	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	21,351,554
Vocational instruction	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	1,897,770
Adult/continuing instruction	46	214,853	-	-	-	-	-	294	-	-
Other instruction	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	3,850,593
Pupil	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	9,182,312
Instructional staff	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	5,158,087
Board of education	702,812	660,086	570,267	639,543	556,874	674,582	820,893	851,193	763,759	1,204,859
Administration	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	7,758,977
Fiscal	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	3,758,991
Business	1,748,679	1,536,059	990,990	1,047,575	934,024	858,780	1,125,107	1,215,741	1,256,396	1,299,485
Operation and maintenance of plant	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	16,306,726
Pupil transportation	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	4,360,760
Central	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	3,793,899
Food service operations	20,162	6,458	5,374	6,944	9,418	5,623	5,611	5,339	5,988	5,339
Community services	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	2,039,397
Shared services	5,149	-	-	-	-	-	-	-	-	-
Other operation of										
non-instructional services	926	2,081	267	423	584	206	-	-	-	-
Extracurricular activities	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	1,497,380
Interest and fiscal charges	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	5,830,579
Total governmental activities expenses	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	132,666,468
Business-type activities:										
Food services	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	2,862,993
Uniform school supplies	31,744	6,858	3,460	3,394	1,481	3,854	4,475	1,927	985	6,459
Customer services	-	10,565	8,858	7,974	9,578	8,374	4,368	111	3,797	6,096
Community services/early childhood	821,397	994,837	917,304	919,274	-	-	-	-	-	-
Bellefaire General Rotary	2,355	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	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	2,875,548
Total primary government expenses	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	135,542,016

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Program revenues:										
Governmental activities:										
Charges for services:										
Regular instruction	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	1,702,227
Special instruction	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	2,043,661
Vocational instruction	241,934	79,112	5,060	11,808	3,590	11,751	6,447	11,442	19,543	15,530
Administration	59,783	195,163	198,336	252,256	156,208	139,404	121,156	126,028	95,986	98,571
Pupil transportation	26,165	13,298	38,392	6,924	38,404	42,268	59,534	1,566	34,951	-
Extracurricular activities	102,970	111,836	80,261	92,178	119,080	110,087	77,410	44,185	90,332	136,346
Operating grants and contributions:										
Regular instruction	1,275,340	795,124	892,723	666,545	874,223	1,497,527	2,513,329	1,417,514	957,211	2,066,223
Special instruction	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	5,096,717
Vocational instruction	302,953	265,366	237,709	231,876	285,428	256,476	228,880	308,190	324,968	465,451
Adult/continuing instruction	99,484	-	-	-	-	-	-	-	-	-
Pupil	107,986	103,246	105,593	105,911	18,000	18,000	797,501	1,398,518	199,280	186,176
Instructional staff	-	-	-	-	-	-	8,227	58,568	2,170	71,627
Community services	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	755,277
Capital grants and contributions:										
Operation and maintenance of plant	-	-	-	-	-	-	-	-	-	461,785
Community services	-	20,000	-	-	-	-	-	-	-	-
Total governmental activities	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	13,099,591

Continued

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services:										
Food services	331,037	323,606	359,710	148,554	184,268	194,028	128,759	96,070	125,256	174,203
Uniform school supplies	28,907	13,402	9,456	11,214	15,636	12,274	6,063	3,805	6,442	5,466
Customer services	11,890	12,167	8,618	8,356	9,453	8,549	3,911	400	-	2,791
Community services/early childhood	662,846	566,556	554,364	544,241	-	-	-	-	-	-
Bellefaire General Rotary	683,844	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
Food services	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	3,505,548
Total business-type activities	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	3,688,008
Total primary government program revenues	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	16,787,599
Net expense:										
Governmental activities	(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)	(119,566,877)
Business-type activities	288,709	(471,274)	(859,153)	37,237	556,964	356,613	939,469	1,684,381	2,160,354	812,460
Total primary government net expense	(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)	(118,754,417)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for:										
General purpose	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	83,633,789
Debt service	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	7,168,182
Capital projects	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	3,360,985
Grants and entitlements not restricted to specific programs	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	29,736,501
Investment earnings (loss)	504,723	1,756,112	1,499,671	906,980	1,178,732	1,949,799	1,109,356	60,559	(85,598)	1,911,160
Miscellaneous	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	1,767,909
Transfers	(11,056,420)	7,743	-	(1,271,323)	-	(330)	(582)	-	(1,191)	(3,600)
Total governmental activities	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	127,574,926

Continued

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Transfers	11,056,420	(7,743)	-	1,271,323	-	330	582	-	1,191	3,600
Miscellaneous	-	-	-	-	-	-	-	218	-	-
Total business-type activities	11,056,420	(7,743)	-	1,271,323	-	330	582	218	1,191	3,600
Total primary government general revenues and other changes in net position	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	127,578,526
Change in net position:										
Governmental activities	(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	8,008,049
Business-type activities	11,345,129	(479,017)	(859,153)	1,308,560	556,964	356,943	940,051	1,684,599	2,161,545	816,060
Total primary government change in net position	\$ 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	\$ 8,824,109

Source: School District financial records.

Cleveland Heights-University Heights City School District

Program Revenues by Function/Program

Last Ten Fiscal Years											Table 3
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Governmental activities:											
Regular instruction	\$ 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	\$ 3,768,450	
Special instruction	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	7,140,378	
Vocational instruction	544,887	344,478	242,769	243,684	289,018	268,227	235,327	319,632	344,511	480,981	
Adult/continuing instruction	99,484	-	-	-	-	-	-	-	-	-	
Pupil	107,986	103,246	105,593	105,911	18,000	18,000	797,501	1,398,518	199,280	186,176	
Instructional staff	-	-	-	-	-	-	8,227	58,568	2,170	71,627	
Administration	59,783	195,163	198,336	252,256	156,208	139,404	121,156	126,028	95,986	98,571	
Operation and maintenance of plant	-	20,000	-	-	-	-	-	-	-	-	
Pupil transportation	26,165	13,298	38,392	6,924	38,404	42,268	59,534	1,566	34,951	-	
Community services	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	1,217,062	
Extracurricular activities	102,970	111,836	80,261	92,178	119,080	110,087	77,410	44,185	90,332	136,346	
Total governmental activities	13,395,774	9,838,421	12,335,237	11,699,574	11,583,130	11,919,128	14,428,073	11,689,090	9,963,080	13,099,591	
Business-type activities:											
Food services	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	3,679,751	
Uniform school supplies	28,907	13,402	9,456	11,214	15,636	12,274	6,063	3,805	6,442	5,466	
Customer services	11,890	12,167	8,618	8,356	9,453	8,549	3,911	400	-	2,791	
Community services/early childhood	662,846	566,556	554,364	544,241	-	-	-	-	-	-	
Bellefaire General Rotary	683,844	-	-	-	-	-	-	-	-	-	
Total business-type activities	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	3,688,008	
Total primary government program revenues	\$ 16,982,589	\$ 12,655,596	\$ 15,029,776	\$ 15,246,924	\$ 14,505,747	\$ 14,890,166	\$ 17,736,537	\$ 15,068,686	\$ 13,856,369	\$ 16,787,599	

Source: School District financial records.

Cleveland Heights-University Heights City School District

Fund Balances, Governmental Funds

Last Ten Fiscal Years	2014	2015	2016	2017	2018	2019	2020 (a)	2021	2022	2023
General fund:										
Nonspendable	\$ 485,956	\$ 400,634	\$ 408,564	\$ 698,645	\$ 601,068	\$ 611,776	\$ 584,051	\$ 564,395	\$ 400,769	\$ 416,390
Committed	-	249,020	-	-	-	-	-	-	419,779	266,750
Assigned	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	4,401,505
Unassigned	19,296,525	9,241,633	18,324,871	14,314,303	16,687,556	12,270,472	-	9,050,670	27,537,504	34,413,170
Total general fund	30,725,093	30,668,464	33,997,370	24,905,467	27,658,091	23,147,745	11,261,648	14,319,510	32,086,550	39,497,815
All other governmental funds:										
Nonspendable	-	-	-	33	-	-	-	-	-	-
Restricted	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	7,757,546
Unassigned (deficit)	(349,436)	(209,254)	(347,404)	(444,423)	(981,970)	(193,720)	(468,738)	(981,026)	(1,161,776)	(1,267,360)
Total all other governmental funds	163,840,432	145,033,386	112,607,172	57,884,339	47,743,341	24,644,478	12,893,936	10,136,856	8,505,138	6,490,186
Total governmental funds	\$ 194,565,525	\$ 175,701,850	\$ 146,604,542	\$ 82,789,806	\$ 75,401,432	\$ 47,792,223	\$ 24,155,584	\$ 24,456,366	\$ 40,591,688	\$ 45,988,001

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

Cleveland Heights-University Heights City School District

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

Table 5

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes	\$ 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	\$ 96,431,441
Intergovernmental	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	38,638,238
Grants	-	36,147	95,763	77,065	136,652	204,066	199,282	245,206	346,464	340,470
Tuition and fees	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	3,717,483
Earnings (loss) on investments	383,159	1,743,978	1,493,336	890,212	1,158,393	2,072,177	1,149,119	69,245	(98,162)	1,865,666
Extracurricular activities	328,105	281,315	218,737	181,037	208,333	234,260	192,693	66,812	182,423	229,786
Classroom materials and fees	10,983	8,210	7,407	9,968	5,639	5,684	4,016	1,787	2,096	1,939
Miscellaneous	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	1,734,544
Total revenues	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	142,959,567
Expenditures:										
Current:										
Instruction:										
Regular	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	43,680,233
Special	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	21,598,651
Vocational	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	1,902,833
Adult/continuing	42	214,853	-	-	-	-	-	294	-	-
Other	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	3,851,702
Support services:										
Pupil	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	9,460,100
Instructional staff	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	5,288,806
Board of education	702,812	660,818	570,730	637,691	563,822	678,367	811,740	858,028	767,062	1,207,671
Administration	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	7,984,965
Fiscal	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	3,868,826
Business	1,620,092	1,419,952	1,148,867	944,826	851,840	846,438	984,229	1,143,850	1,234,353	1,296,276
Operation and maintenance of plant	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	18,185,808
Pupil transportation	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	4,551,931
Central	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	3,950,972
Operations of non-instructional services:										
Food service	24,779	1,119	35	1,605	4,079	284	272	-	649	-
Community services	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	2,511,376
Shared services	5,149	-	-	-	-	-	-	-	-	-
Other	926	2,081	267	423	584	206	-	-	-	-
Extracurricular activities	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	1,566,037
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	-	-

Continued

Cleveland Heights-University Heights City School District

Changes in Fund Balances, Governmental Funds (continued)

Last Ten Fiscal Years										Table 5
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt service:										
Principal	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	1,540,528
Interest and fiscal charges	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	5,197,944
Bond issuance costs	1,224,233	-	-	-	438,253	-	-	-	955,431	-
Total expenditures	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	137,644,659
Excess of revenues over (under) expenditures	(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	5,314,908
Other financing sources (uses):										
Inception of capital leases	88,483	-	395,108	-	-	75,691	67,635	-	-	-
Subscription agreement	-	-	-	-	-	-	-	-	-	85,005
General obligation bonds issued	134,799,915	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	60,725,000	-	-	-	66,686,779	-
Premium on bonds issued	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	805,350	1,670,886	253,500	150,000	276,974	242,992	303,620	4,511,995	239,452	243,140
Transfers-out	(11,861,770)	(336,540)	(253,500)	(1,718,435)	(276,974)	(243,322)	(304,202)	(4,511,995)	(240,643)	(246,740)
Payment to refunded escrow agent	-	-	-	-	(70,089,641)	-	-	-	(90,089,264)	-
Sale of capital assets	-	-	10,307	-	-	11,092	-	-	-	-
Total other financing sources (uses)	146,461,936	1,334,346	405,415	(1,568,435)	439,753	86,453	67,053	-	954,240	81,405
Net change in fund balances	\$ 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	\$ 5,396,313
Debt service as a percentage of noncapital expenditures	2.36%	6.72%	6.48%	6.49%	6.34%	5.95%	9.62%	6.15%	5.16%	5.16%

Source: School District financial records.

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		
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	%	
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		
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		
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		
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		
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		
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		
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		
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		
2023	1,225,943,670	3,502,696,200	33,500,580	38,068,841	1,259,444,250	3,540,765,041	159.80	35.6		

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 2023 and Fiscal Year 2014

Table 7

Name of Taxpayer	December 31, 2022 (1)	
	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric Illuminating Company	\$ 16,218,060	1.32%
East Ohio Gas Co.	11,452,340	0.93%
CS Center LLC and CS Center TIC 1 LLC	9,135,610	0.75%
The Hebrew Academy of Cleveland	7,395,190	0.60%
Integrity Realty Group	7,191,840	0.59%
Cleveland Heights City	6,794,340	0.55%
American Transmission System	5,652,070	0.46%
DKC Holdings	5,495,010	0.45%
First Interstate	5,452,280	0.44%
Huntington House	5,198,980	0.42%
Total	<u>\$ 79,985,720</u>	<u>6.51%</u>

Name of Taxpayer	December 31, 2013 (2)	
	Assessed Value (2)	Percent of Total Assessed Value
Cleveland Electric Illuminating Company	\$ 12,577,190	1.16%
Kaiser Foundation Health Plan of Ohio	11,348,150	1.05%
Severance Spc Lease Co., LLC	9,711,730	0.90%
Inland Cedar Center South, LLC	6,212,210	0.57%
University Heights Holdings, 4 LLC	5,443,380	0.50%
Severance Spc Lease Co., LLC	4,466,180	0.41%
East Ohio Gas Co.	3,017,350	0.28%
Cedar Center North, LLC	2,766,370	0.26%
ARC Cleveland Hts LLC	2,724,580	0.25%
The May Department Stores Co.	2,607,500	0.24%
Total	<u>\$ 60,874,640</u>	<u>5.62%</u>

Source: Cuyahoga County Fiscal Officer

- (1) Assessed values are for the 2023 collection year.
- (2) Assessed values are for the 2014 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	Cleveland										Total Levy		
	Metro					Port Authority							
	School Levy	County Levy	City Levy	Parks Levy	Library Levy	Tri-C Levy	Authority Levy	County Levy	City Levy	Tri-C Levy			
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	0.50	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	0.50	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	0.50	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	0.50	7.45
2022/2023	159.80(1)	14.85	12.42	2.75	10.00	4.90	0.13	204.85	6.50	0.35	1.50	0.50	8.85

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 \$149.50 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$6.50 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.

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	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Percent of Total Collections to Tax Levy
2013/2014	\$ 84,009,574	\$ 11,665,988	\$ 95,675,562	\$ 77,585,448	92.35 %	\$ 3,779,198	\$ 81,364,646	85.04 %
2014/2015	90,585,706	12,775,749	103,361,455	83,479,091	92.15	4,636,048	88,115,139	85.25
2015/2016	89,956,812	15,510,292	105,467,104	84,034,219	93.42	4,317,182	88,351,401	83.77
2016/2017	90,097,918	16,044,426	106,142,344	84,289,202	93.55	3,512,990	87,802,192	82.72
2017/2018	95,802,609	16,233,458	112,036,067	88,161,090	92.02	4,256,109	92,417,199	82.49
2018/2019	97,301,556	17,557,160	114,858,716	90,046,301	92.54	4,599,730	94,646,031	82.40
2019/2020	95,967,398	19,189,804	115,157,202	86,000,573	89.61	5,207,588	91,208,161	79.20
2020/2021	94,770,541	16,540,298	111,310,839	89,556,791	94.50	4,316,191	93,872,982	84.33
2021/2022	100,812,109	17,918,037	118,730,146	94,965,278	94.20	4,585,631	99,550,909	83.85
2022/2023	102,859,102	16,998,944	119,858,046	97,212,374	94.51	5,060,663	102,273,037	85.33

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.

Cleveland Heights-University Heights City School District

Computation of Direct and Overlapping General Obligation Bonded Debt

As of December 31, 2022

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	\$ 132,633,711	100.00 %	\$ 132,633,711
	Total direct	<u>132,633,711</u>		<u>132,633,711</u>
Overlapping				
	City of Cleveland Heights	13,563,000	95.53	12,956,682
	City of South Euclid	17,602,273	8.59	1,511,578
	City of University Heights	905,000	100.00	905,000
	Cuyahoga County	240,795,000	2.62	6,301,391
	Cuyahoga Community College	189,980,000	2.62	4,971,608
	Total overlapping	<u>462,845,273</u>		<u>26,646,259</u>
	Grand total	\$ <u>595,478,984</u>		\$ <u>159,279,970</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 2023 collection year.

Cleveland Heights-University Heights City School District

Computation of Legal Debt Margin

Last Ten Fiscal Years Table 11

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed valuation	\$ 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	\$ 1,259,444,250
Debt limit - 9% of assessed value	\$ 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	\$ 113,349,983
Amount of debt applicable to debt limit:										
General obligation bonds	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	135,863,839
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)	(19,773,227)
Total	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	116,090,612
Less: amount available in debt service funds	(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)	(2,740,629)
Amount of debt subject to the limit	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	113,349,983
Overall debt margin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt margin - .10% of assessed value	\$ 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	\$ 1,259,444
Amount of debt applicable	-	-	-	-	-	-	-	-	-	-
Unvoted debt margin	\$ 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	\$ 1,259,444
Total net debt applicable to the limit as a percentage of debt limit	100.00%	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

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	Subscription Agreements	Financed Purchase / Capital Leases (a)	Qualified Zone Academy Bonds	Total Primary Government	Percentage of Personal Income	Per Capita	
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	
2023	147,146,285	3,230,128	17,484,653	11,748	24,460	-	167,897,274	9.37	2,918.94	

Source: School District financial records.

(a) Implemented GASB 87 in fiscal year 2022.

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
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
2022/2023	147,146,285	-	147,146,285	3,540,765,041	57,520	4.16	2,558

Sources:

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

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
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
2023	1,236,041	44,201	13,319	4,885	4.4	69,155	91,960	1,791,992,570	31,154

Sources:

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

Cleveland Heights-University Heights City School District

Principal Employers

Fiscal Year 2014 and Fiscal Year 2023

Table 15

December 31, 2013			December 31, 2022		
Employer	Number of Employees	Percentage of Total	Employer	Number of Employees	Percentage of Total
John Carroll University	2,254	40.38 %	John Carroll University	1,834	25.76 %
Cleveland Heights-University Heights Board of Education	984	17.63	Cleveland Heights-University Heights Board of Education	1,034	14.52
Group Management Services	N/A	N/A	MetroHealth System	675	9.48
City of Cleveland Heights	783	14.03	Bellefaire Jewish Children's Bureau	650	9.13
CAS Investors	394	7.06	Cast & Crew Production	642	9.02
Bellefaire Jewish Children's Bureau	324	5.80	Cleveland Heights City Hall	555	7.80
Cuyahoga County Fiscal Office	321	5.75	Target Corporation	469	6.59
Home Depot	212	3.80	Minute Men Select Inc.	440	6.18
City of University Heights	174	3.12	Hebrew Academy of Cleveland	410	5.76
Toyota on the Heights	136	2.43	Home Depot USA Inc.	410	5.76
Total	5,582	100.00 %	Total	7,119	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.

Cleveland Heights-University Heights City School District

Building Statistics by Function/Program

Last Ten Fiscal Years

Table 16

	2014	2015	2016	2017	2018	2019	2020(a)	2021(a)	2022(a)	2023(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	304	325	305	286	306	268	286	256	270	280
Regular Instruction Teachers	24	24	25	22	22	19	19	17	17	20
Special Instruction Teachers	5	5	3	6	6	6	6	6	5	6
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	380	345	373	389	401	405	364	346	331	341
Regular Instruction Teachers	25	24	24	26	25	23	23	20	20	23
Special Instruction Teachers	5	5	3	5	4	4	4	5	5	5
Bellefaire School										
Constructed in 1928										
Total Building Square Footage	22,000	22,000	-	-	-	-	-	-	-	-
Enrollment Grades K-5	-	-	-	-	-	-	-	-	-	-
Regular Instruction Teachers	-	-	-	-	-	-	-	-	-	-
Special Instruction Teachers	-	-	-	-	-	-	-	-	-	-
Coventry Elementary School										
Constructed in 1975										
Total Building Square Footage	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	299	334	327	339	341	359	340	329	316	325
Regular Instruction Teachers	22	24	30	28	28	23	23	20	18	21
Special Instruction Teachers	5	5	3	7	8	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	365	268	252	261	266	258	252	240	248	240
Regular Instruction Teachers	24	24	31	30	26	22	23	24	21	23
Special Instruction Teachers	10	5	3	7	10	11	12	13	11	12
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	381	421	415	369	381	337	348	349	340	379
Regular Instruction Teachers	30	30	31	30	28	25	25	25	24	27
Special Instruction Teachers	7	7	4	4	3	3	3	4	4	5
Deborah S. Delisle Educational Options Center										
Constructed in 1923										
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	116	100	86	116	126	122	115	111	117	146
Regular Instruction Teachers	11	10	11	11	11	9	7	7	6	6
Special Instruction Teachers	1	1	0	2	1	1	1	1	1	1

Continued

Cleveland Heights-University Heights City School District

Building Statistics by Function/Program (continued)

Last Ten Fiscal Years

Table 16

	2014	2015	2016	2017	2018	2019	2020(a)	2021(a)	2022(a)	2023(a)
Oxford Elementary School										
Constructed in 1928										
Total Building Square Footage	61,400	61,400	61,400	61,400	61,400	61,400	61,400	61,400	61,400	61,400
Enrollment Grades K-5	328	294	291	270	279	268	273	271	240	255
Regular Instruction Teachers	25	24	24	24	24	25	20	17	18	22
Special Instruction Teachers	4	4	3	6	5	4	4	5	4	4
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	404	423	365	328	330	307	299	266	222	232
Regular Instruction Teachers	29	29	27	26	24	17	18	17	16	18
Special Instruction Teachers	3	4	3	4	5	6	6	6	3	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	597	591	558	575	568	573	569	487	513
Regular Instruction Teachers	31	37	52	46	41	39	39	42	42	44
Special Instruction Teachers	9	11	7	9	9	11	12	13	11	13
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	487	645	619	611	631	582	594	594	572	572
Regular Instruction Teachers	39	41	52	50	44	37	39	40	40	41
Special Instruction Teachers	9	9	7	9	13	13	13	14	14	15
Wiley Middle School										
Constructed in 1954										
Total Building Square Footage	133,127	133,127	-	-	-	-	-	-	-	-
Enrollment Grades 6-8	402	-	-	-	-	-	-	-	-	-
Regular Instruction Teachers	30	-	-	-	-	-	-	-	-	-
Special Instruction Teachers	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	1,254	1,522	1,597	1,430	1,578	1,555	1,512	1,519	1,327	1,416
Regular Instruction Teachers	113	113	120	113	99	91	93	92	88	89
Special Instruction Teachers	25	25	11	25	21	24	22	24	20	21
Tiger Virtual Academy										
New in 21/22										
Total Building Square Footage	-	-	-	-	-	-	-	-	-	-
Enrollment Grades K-12	-	-	-	-	-	-	-	-	297	186
Regular Instruction Teachers	-	-	-	-	-	-	-	-	5	5
Special Instruction Teachers	-	-	-	-	-	-	-	-	1	0

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 1						
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)	
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	
2022	107,936,411	4,885	22,095	11.95	430	11.36	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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2022
Degree										
Associate's Degree	-	-	-	-	-	1	2	1	1	1
Bachelor's Degree	127	63	71	56	62	75	79	72	80	88
Master's Degree	380	410	393	397	389	379	351	343	339	336
PhD	6	6	5	6	6	5	5	4	4	5
Total	513	479	469	459	457	460	437	420	424	430
Years of Experience										
0-5	157	46	127	79	72	53	58	37	44	60
6-10	113	104	122	143	121	106	108	48	50	49
11 and over	243	329	220	237	264	301	271	335	330	321
Total	513	479	469	459	457	460	437	420	424	430

Source: School District personnel records.

Cleveland Heights-University Heights City School District

Attendance and Graduation Rates

Last Ten Fiscal Years				Table 19	
Year	District Attendance Rate	State Attendance Rate	District Graduation Rate*	State Graduation Rate*	
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	88.9	87.3	
2023	88.60	91.0	(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

Function:	Last Ten Fiscal Years										Table 20
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Instruction:											
Regular	360	367	369	365	360	334	312	284	304	311	
Special	155	153	86	85	97	92	96	99	97	96	
Vocational	20	17	14	14	14	14	13	13	11	11	
Other	11	10	11	11	11	-	-	14	20	19	
Support services:											
Pupil	115	135	130	132	144	157	198	183	186	227	
Instructional staff	64	52	56	56	60	66	22	10	12	12	
Administration	63	61	43	43	45	45	45	42	46	48	
Fiscal	10	10	7	7	8	7	7	7	7	7	
Business	3	3	1	1	1	1	1	1	1	1	
Operations of											
maintenance of plant	90	85	74	76	77	97	91	90	86	80	
Pupil transportation	40	44	39	36	38	40	39	34	33	37	
Central	20	20	19	19	19	21	19	17	22	25	
Operations of											
non-instructional services:											
Community services (1)	45	39	39	40	40	46	52	48	47	50	
Other	1	1	1	1	1	2	42	40	37	36	
Extracurricular activities	2	2	1	2	2	1	1	1	1	2	
Total	999	999	890	888	917	923	938	883	910	962	

Source: School District personnel records.

(1) Includes food services personnel.

ABOUT THE ARTWORK



Bing Gardner
Grade 5 Canterbury Elementary School



Carter Wells
Grade 2 Canterbury Elementary School

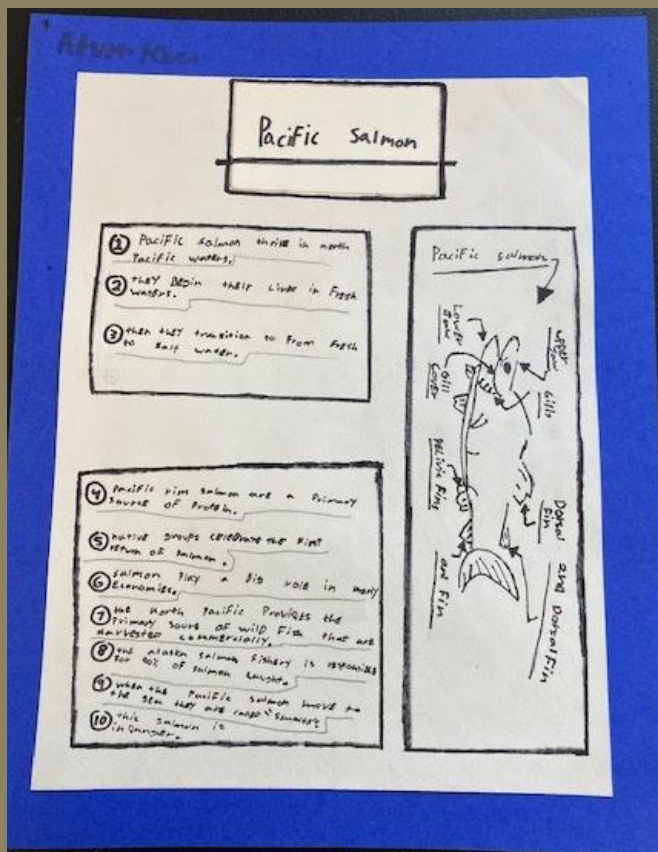
**The artwork displayed throughout this report was created by
Cleveland Heights – University Heights
elementary, middle and high school
students. We are grateful to them for
allowing us to showcase their artistic
talents.**



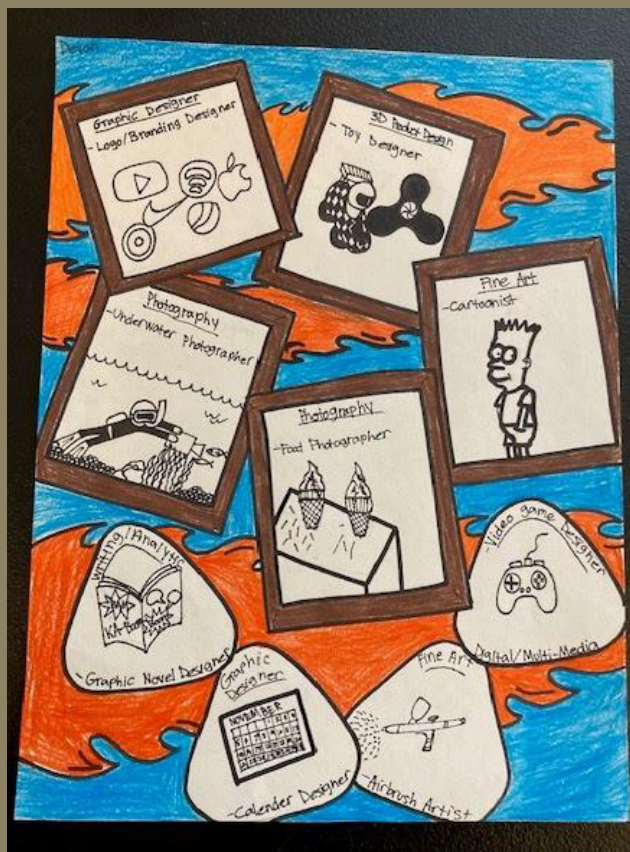
Finley Fontaine
Grade 3 Canterbury Elementary School



Christian Cooper
Grade 4 Canterbury Elementary School



Finley Fontaine
Grade 3 Canterbury Elementary School



Finley Fontaine
Grade 3 Canterbury Elementary School



Finley Fontaine
Grade 3 Canterbury Elementary School



Cameron Starr
Grade 4 Noble Elementary School



Elizabeth Kovach
Grade 4 Canterbury Elementary School



Finley Fontaine
Grade 3 Canterbury Elementary School



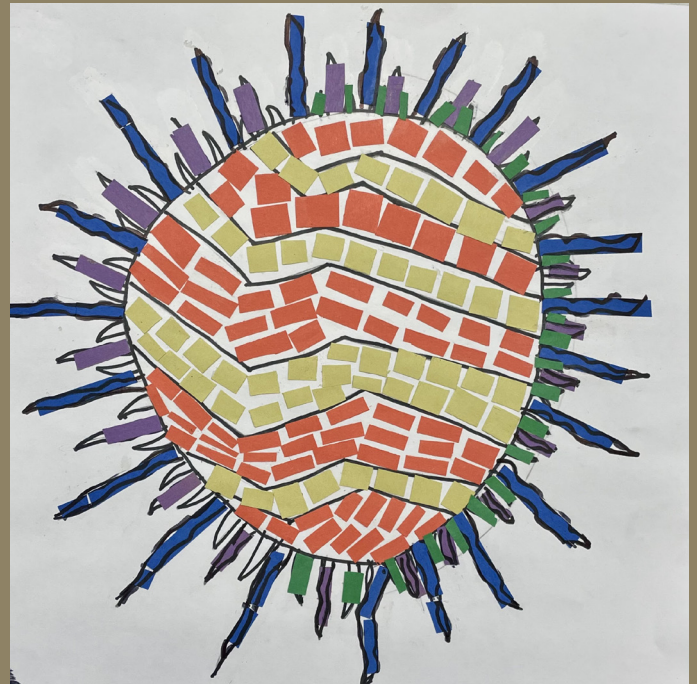
Miracle White
Grade 4 Noble Elementary School



School



Ella Cullis
Grade 6 Roxboro Middle School



Jessica Reeves
Grade 4 Fairfax Elementary School



CLEVELAND
UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT