

POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR
ENDED JUNE 30, 2022



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





PUBLIC SCHOOL FUNDING 101

Ohio's school finance structure is based on the premise of a shared responsibility between the state and local school districts to fund the cost of public education. However, the sharing is disproportionate, with local school districts funding the majority via property taxes. This system has been found unconstitutional four times by the Ohio Supreme Court due to the overreliance on property taxes. The legislature has begun phasing in a Fair School Funding Plan to ultimately remedy this issue, although this solution is not guaranteed.

Districts are funded by placing property tax levies on the ballot for a specified millage, which is the unit of value for expressing the rate of property taxes in Ohio. Each mill equals \$1 for every \$1,000 of assessed property value. Homeowners only pay taxes on the assessed value, which is 35% of the property's market value.

Unfortunately the property tax revenue does not grow with inflation due to House Bill 920, which freezes what districts receive at the amount at the time each levy is passed. As property values increase, the amount of revenue to the district remains the same. This is why all districts are periodically required to return to voters to ask for a new levy - costs continue to rise while revenue is flat.

The amount of state funds that a district receives is based on a formula that takes into account the student enrollment and the property wealth of the district. Districts may also receive additional funding based on disadvantaged pupils or students with special needs.

Additionally, districts may receive a small amount of money from the federal government for things such as partial reimbursement for serving Medicaid-eligible students.

More detailed explanations on school funding topics can be viewed on the Finance and Development page of chuh.org.

The 2021-2022 Popular Annual Financial Report is a publication of the CH-UH CSD Communications Department. Photography provided courtesy of Paul Sobota, Jeff Holbury, the CH-UH Communications Department and the CH-UH archives.

FROM THE CFO

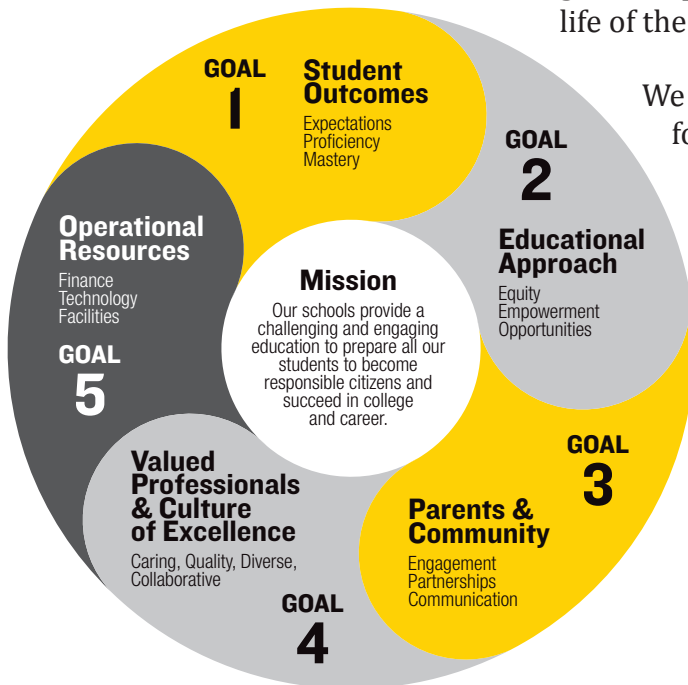
I am pleased to present the latest Popular Annual Financial Report (PAFR) of the Cleveland Heights - University Heights City School District. This document is a result of District Strategic Plan Goal 5 and is another tool to keep the community well-informed about how resources are being used for school and student performance.

We have long been committed to quality reporting and transparency, preparing a voluntary Annual Comprehensive Financial Report (ACFR) for the last 22 years. We are also excited to have been recently recognized for the second year in a row with the Auditor of State Award with Distinction for the high quality of our reporting and our continued work to ensure clean, accountable, and efficient government.

I am also happy to share that we recently refinanced for a second time the bond debt originally issued in 2014 for the high school and middle school facilities projects, saving our taxpayers another \$18.5 million in interest over the remaining life of the bonds.



Scott Gainer, CPA
Treasurer/CFO



We continue to advocate at the state level for increased funding for public education, including continued implementation of the Fair School Funding Plan. We are also one of the districts litigating public funding lost to state vouchers programs.

I truly appreciate the history of strong financial support by our community. We take seriously our fiduciary responsibility to safeguard these resources. Thank you for taking the time to review this PAFR. I encourage you to contact my office with questions or feedback on this report so that we can continue to refine it and make it as informative as possible moving forward.



GENERAL FUND REPORT

RECEIPTS & RESOURCES

TOTAL (FY22) \$111,573

The graph below displays the cash-basis receipts and resources for the General Fund for fiscal year 2022.

(shown in thousands)

75%

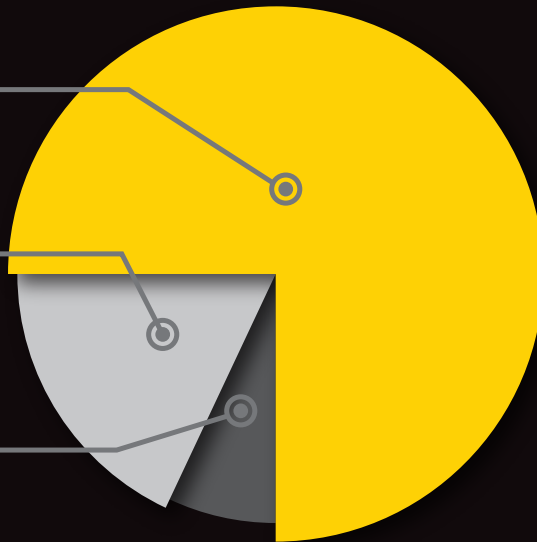
Property Taxes

18%

Intergovernmental-
State

7%

All Other Revenues
& Resources



AUDITOR OF THE STATE StaRS RATING

The Auditor of State of Ohio rates public offices for compliance with Sunshine Laws and on best practices related to public records. For the third year, Cleveland Heights - University Heights City School District has received the highest rating - 4 stars - indicating the highest achievement in open and transparent government, including implementing 5 or more best practices. For more information on the award, residents can visit the Auditor of State website at <https://ohioauditor.gov/>. Public records information and request forms are available on the District website at: <https://www.chuh.org/PublicRecords.aspx>.



DID YOU KNOW...

83% Property tax revenue received by the CH-UH City School District is 83% residential. The District does not have a significant commercial or industrial tax base to support public education.

35% Homeowners pay property taxes on 35% of the market value of their home. If a home has a market value of \$100,000 the owner pays property taxes on \$35,000.

93% Due to delinquencies and property foreclosures, the District currently only collects 93% of the property taxes that are assessed.

DISBURSEMENTS & SERVICES

TOTAL (FY22) \$93,882

The graph below displays the cash-basis disbursements and services for the General Fund for fiscal year 2022.

(shown in thousands)

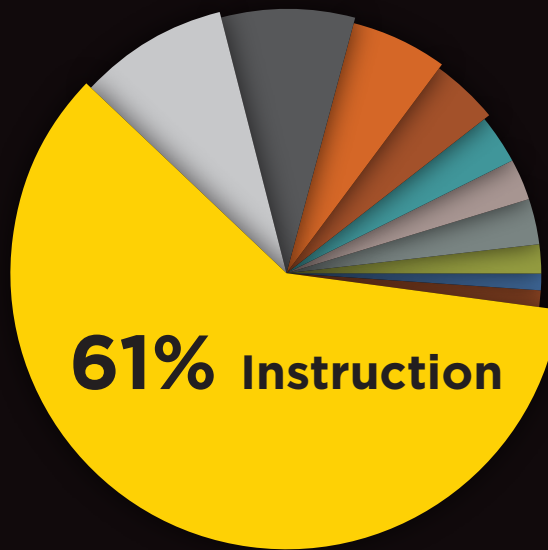
Board/Administration/Fiscal Support **9.49%**

Pupil Support **7.83%**

Plant Operation **7.19%**

Instructional Staff Support **4.19%**

Transportation **3.61%**



3.6% Central Support

1.3% Business Support

1.04% Extracurriculars

<1% Advances & Transfers

<1% Facilities & Construction

INSTRUCTION is the largest disbursement category and relates to the direct instruction of our students. Students are directly impacted by expenditures from this category.

PLANT OPERATION disbursements relate to the safe and efficient environment of the school including building maintenance, grounds, and custodial services.

BOARD/ADMINISTRATION/FISCAL SUPPORT costs represent those of the administration and Board of Education's operation of the District. Also included in this category are school building secretarial support, financial services, payroll, accounts payable and receivable, auditing, budgeting and reporting, and fringe benefits administration.

PUPIL SUPPORT areas comprise all guidance services, speech, hearing, occupational therapy, physical therapy, and psychological services.

TRANSPORTATION disbursements relate to providing transportation--primarily by school bus--to all students who live in the CH-UH School District consistent with Board of Education policies and the laws of the State of Ohio.

INSTRUCTIONAL STAFF SUPPORT costs include library services, technology integration support, and literacy collaborative support.

CENTRAL SUPPORT disbursements include community relations and technology maintenance staff, computer network maintenance contracts, district-wide postage costs, and strategic planning type activities.

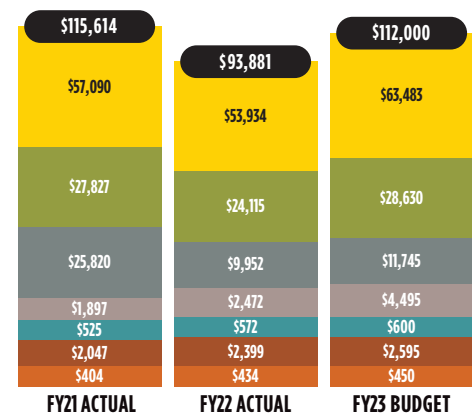
TRANSFERS AND ADVANCES are accounting transactions forwarding amounts to other funds to comply with statutory requirements.

EXTRACURRICULAR disbursements account for the salaries and benefits of club advisors and athletic coaches.

BUSINESS SUPPORT costs include business services such as risk management, construction management, central warehousing, courier services, and copy disbursements.

FACILITIES AND CONSTRUCTION costs include disbursements for building improvements, site improvements, installing or extending service systems and other built-in equipment, and the acquisition of other capital assets.

SPENDING BY OBJECT CODE



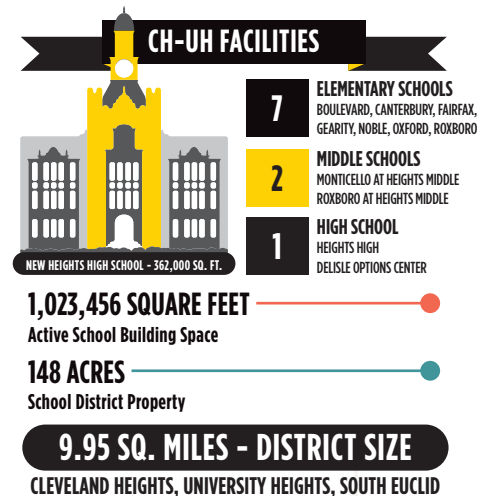
TOTALS SHOWN IN THOUSANDS





PERMANENT IMPROVEMENT FUNDS

The Cleveland Heights-University Heights City School District passed a Permanent Improvement Levy in 2001. This levy generates \$3 million annually to fund facility maintenance, repairs, and improvements throughout the District. The annual projects completed with Permanent Improvement funds over the past two years are listed below, in addition to what is planned for the 2022-2023 school year.



2022-2023 (Planned)	2021-2022	2020-2021
District - Elementary Delisle BOE & Wiley HVAC Controls Upgrade District - Playgrounds Canterbury & Fairfax District - Elementary School Smart Panel Upgrade Boulevard - Roof Repairs Section C (Flat Deck) Canterbury - Window Replacement High School - Roof Repairs Sections L & S High School - Roof Repairs Sections H & J High School - Metro Health Clinic (Grant Funded) High School - Auditorium Sound System Upgrade Noble - Roof Repairs Sections A, F, & G Noble - Roof Repairs Sections J, K, L, & M Noble - Window West Elevation Replacement Oxford - Roof Repairs Sections D & J Roxboro Middle - Roof Repairs Sections A, B, C, D, & F Roxboro Middle - Kitchen Serving Line Upgrade (006 Funds)	District - Bus Purchase - 3 each District - Footprint Duct Work Investigate & Work District - Elementary Delisle BOE & Wiley HVAC Controls Upgrade BOE - BOE Entrance Doors Boulevard - Roof Repairs Section B Delisle - Auto Tech Infrared Heater & Exhaust Fairfax - Retaining Wall High School - Baseball Field Backstop Millikin - Fire Alarm System Upgrade Millikin - Entrance Drive & Parking Lot Monticello - Roof Repairs Sections A, B, & E Oxford - Entrance Door Replacement Roxboro Middle - Masonry Tuck-Pointing Roxboro Middle - Baseball Field Renovation Wiley - Bus Depot	District - Busses Canterbury - Roof Repair Sections B & O Canterbury - Playground Delisle - NOC UPS Equipment Gearity - Preschool Playground High School - Stairwell Drainage Repairs Monticello - Boiler Room Make-up Air Monticello - Camera Additions Monticello - Roof Repairs Sections Gym/HVAC Noble - Roof Repairs Section A Oxford - Façade Repairs Oxford - Roof Repairs Sections F, G, H, & L Roxboro Elementary - Foundation Repairs Roxboro Middle - Auditorium Painting Roxboro Middle - Roof Repairs Section J

COMMITMENT TO QUALITY REPORTING AND TRANSPARENCY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

The District has prepared a Annual Comprehensive Financial Report (ACFR) for the past 22 years. The ACFR is a voluntary, expanded report prepared on a GAAP (Generally Accepted Accounting Principles) basis of accounting which provides detailed financial information and supplementary information. The ACFR can be viewed on the Finance and Development page of chuh.org.

FIVE-YEAR FORECAST

The District also prepares a Five-Year Forecast, a cash-basis model providing an estimate of the financial condition of the District for long-term planning purposes and created using historical trends and conservative estimates based upon the most current data available at the time the forecast is prepared. This forecast is approved monthly by the Board of Education and submitted twice annually to the Ohio Department of Education, and can be viewed at education.ohio.gov or on chuh.org.

FINANCE AWARDS AND RECOGNITION



The District is audited annually by Auditor of State Dave Yost. For the fiscal year ended 2021 and 2022, CH-UH received the **Auditor of State Award with Distinction** for the high quality of our reporting. The clean audit report indicates that the CH-UH City School District audit did not contain findings for recovery, material citations, material weaknesses, significant deficiencies, Single Audit findings or any questioned costs. This report can be found on ohioauditor.gov.

The District has received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials for 22 straight years. This award is one of the highest forms of recognition in the area of governmental accounting and financial reporting.

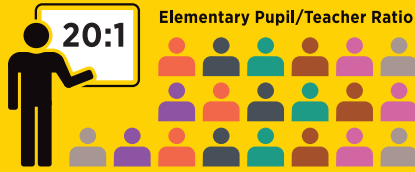


The District has also been honored for each of the past 22 years with the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States for the ACFR.

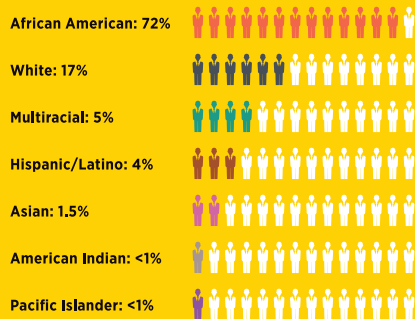
For the second year in a row, CH-UH was honored with the Auditor of State Award with Distinction at its Board Meeting on February 2, 2022. L-R: Board Member Malia Lewis, AOS State Liaison Director Jake Altman; CFO Scott Gainer; Assistant Treasurer Eric Soltis; Superintendent Elizabeth Kirby.



CH-UH STUDENTS



4,861 TOTAL STUDENTS



HEIGHTS GRADS

87.8% Graduation Rate 4-Year Class of 2020

94% Graduation Rate 5-Year Class of 2019

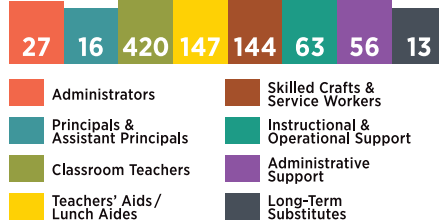
368 Class of 2021 Graduates

\$14.3 MILLION Scholarships Earned Class of 2021



CH-UH STAFF

886 FULL TIME DISTRICT EMPLOYEES



TEACHER SALARY RANGE

\$44,974 → \$97,654

BARGAINING UNITS

Bargaining units represent teachers and professional staff, administrative support staff, security staff, cleaners, cafeteria employees, paraprofessionals/lunchroom non-paraprofessionals, custodial and maintenance staff, transportation staff and technology staff.

FACILITIES



1,048,709 SQ. FT.
Active School Building Space

7 ELEMENTARY SCHOOLS
Boulevard, Canterbury, Fairfax, Garity, Noble, Oxford, Roxboro

2 MIDDLE SCHOOLS
Monticello, Roxboro

2 HIGH SCHOOLS
Heights High, Delisle Options Center

130 ACRES
School District Property



CLEVELAND UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT

For more than 100 years, the Cleveland Heights-University Heights City School District has been one of the most storied, unique and successful school districts in Northeast Ohio.

We serve a vibrant, diverse community, made up of Cleveland Heights, University Heights, and a section of South Euclid. We educate more than 4,800 students each year, from pre-Kindergarten through 12th grade, in seven elementary schools, two middle schools, one high school, a career and technical education consortium, an alternative options school, and an early childhood learning center.

The CH-UH School District has long been known for providing exceptional academic programs that help prepare students of diverse abilities and backgrounds for lifelong success. We offer esteemed extracurricular activities at every grade level, including our world-renowned vocal and instrumental music programs, in addition to accomplished athletic teams.

The CH-UH School District employs a dedicated staff committed to helping all students achieve and excel. CH-UH teachers and administrators work with the nation's foremost educational experts during professional development days and strive throughout the year to enhance classroom experiences.



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