

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2015



GOAL 1
Student Outcomes
Expectations
Proficiency
Mastery

GOAL 2
Educational Approach
Equity
Empowerment
Opportunities

GOAL 3
Parents & Community Engagement
Partnerships
Communication

GOAL 4
Valued Professionals & Culture of Excellence
Caring, Quality, Diverse, Collaborative

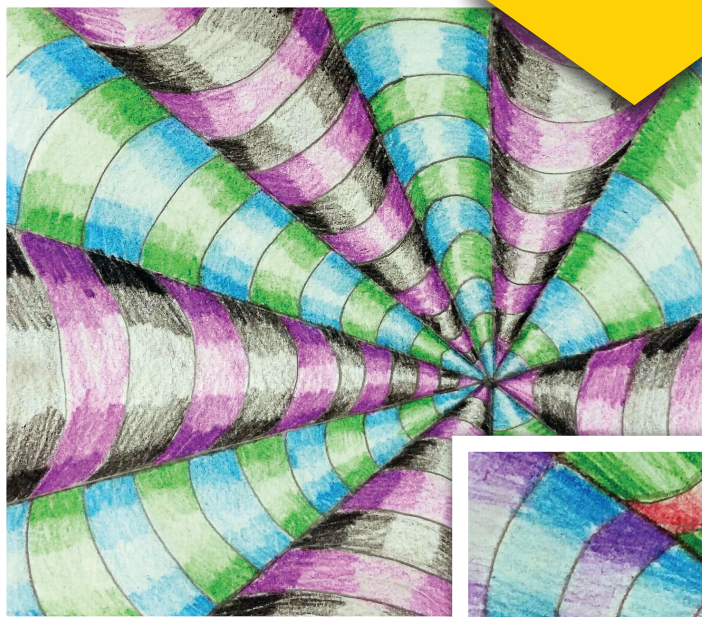
GOAL 5
Operational Resources
Finance
Technology
Facilities

MISSION

Our schools provide a challenging and engaging education to prepare all our students to become responsible citizens and succeed in college and career.

INTRODUCTORY

SECTION



LAKIYESHA RADCLIFF
6th grade, Monticello Middle School
.....

TACHIANNA ANDERSON
6th grade, Monticello Middle School
.....



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

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2015

ISSUED BY: FINANCE DEPARTMENT, A SCOTT GAINER, CHIEF FINANCIAL OFFICER



JASON JACKSON
3rd grade
Gearity Elementary School
.....



ANJANA RAI
8th grade
Monticello Middle School
.....



Mission Statement

Our schools
provide a
challenging and
engaging education
to prepare all
our students
to become
responsible citizens
and succeed
in college
and career.

Cleveland
University
Heights



City School District

www.chuh.org

Cleveland Heights-University Heights City School District

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

Table of Contents Page

I. Introductory Section:

Title Page	i
Table of Contents	iii
Letter of Transmittal	vii
ASBO Certificate	xiii
GFOA Certificate	xiv
Principal Officials	xv
Organizational Chart	xvi

II. Financial Section:

Independent Auditor’s Report	1
Management’s Discussion & Analysis	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	20
Statement of Activities	22
Fund Financial Statements:	
Balance Sheet – Governmental Funds	24
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balances Budget (Non-GAAP Budgetary Basis) and Actual – General Fund	29
Statement of Fund Net Position – Proprietary Funds	31
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	32
Statement of Cash Flows – Proprietary Funds	33
Statement of Fiduciary Assets and Liabilities – Agency Funds	34
Notes to the Basic Financial Statements	35

Cleveland Heights-University Heights City School District

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

Table of Contents	Page
Required Supplementary Information:	
Schedule of the School District's Proportionate Share of the Net Pension Liability – School Employees Retirement System of Ohio – Last Two Fiscal Years	76
Schedule of the School District's Proportionate Share of the Net Pension Liability – State Teachers Retirement System of Ohio – Last Two Fiscal Years	77
Schedule of the School District's Contributions – School Employees Retirement System of Ohio – Last Ten Fiscal Years	78
Schedule of the School District's Contributions – State Teachers Retirement System of Ohio – Last Ten Fiscal Years	79
Combining Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds – Fund Descriptions.....	82
Combining Balance Sheet – Nonmajor Governmental Funds.....	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	86
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	92
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual:	
General Fund	97
Special Trust Fund.....	102
Public School Support Fund	103
Building Fund.....	105
Other Grants Fund	107
District Managed Activity Fund	109
Auxiliary Services Fund	110
Public School Preschool Grant Fund.....	111
Data Communication Fund.....	112
Straight A Grant Fund	113
Alternative School Grant Fund.....	114
Miscellaneous State Grants Fund	115
IDEA (Flo-Thru) Fund	116

Cleveland Heights-University Heights City School District

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

Table of Contents	Page
Vocational Education Fund	118
Race to the Top Fund	119
Title I Improvement Fund.....	120
Title III Fund	121
Title I Fund	123
Preschool Disabilities Grant Fund	125
Title IIA - Improving Teacher Quality Fund.....	126
Miscellaneous Federal Grants Fund	127
Bond Retirement Fund	129
Permanent Improvement Fund	130
Combining Statements – Nonmajor Proprietary Funds – Fund Descriptions.....	131
Combining Statement of Fund Net Position – Nonmajor Enterprise Funds.....	132
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Nonmajor Enterprise Funds.....	133
Combining Statement of Cash Flows – Nonmajor Enterprise Funds.....	134
Combining Statement of Fund Net Position – Nonmajor Internal Service Funds.....	136
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Nonmajor Internal Service Funds.....	137
Combining Statement of Cash Flows – Nonmajor Internal Service Funds.....	138
Individual Fund Schedules of Revenues, Expenses and Changes in Fund Equity – Budget (Non-GAAP Budgetary Basis) and Actual:	
Food Services Fund	140
Uniform School Supplies Fund	141
Customer Services Fund	142
Community Services/Early Childhood Fund	143
Self-Insurance Fund.....	144
Workers' Compensation Fund	145
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	146
III. Statistical Section:	
Statistical Section.....	S1
Net Position by Component – Last Ten Fiscal Years	S2
Changes in Net Position – Last Ten Fiscal Years	S3
Program Revenues by Function/Program – Last Ten Fiscal Years.....	S7

Cleveland Heights-University Heights City School District

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

<u>Table of Contents</u>	<u>Page</u>
Fund Balances, Governmental Funds – Last Ten Fiscal Years	S8
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	S9
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years	S11
Principal Taxpayers – Real Estate Tax – Fiscal Year 2015 and Fiscal Year 2006	S12
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years	S13
Property Tax – Levies and Collections – Real and Tangible Personal Property – Last Ten Years	S14
Computation of Direct and Overlapping General Obligation Bonded Debt – As of December 31, 2014.....	S15
Computation of Legal Debt Margin – Last Ten Fiscal Years	S16
Ratio of Outstanding Debt to Total Personal Income and Debt per Capita – Last Ten Fiscal Years.....	S17
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Debt Per Capita – Last Ten Fiscal Years	S18
Demographic and Economic Statistics – Last Ten Fiscal Years.....	S19
Principal Employers – Fiscal Year 2006 and Fiscal Year 2015.....	S20
Building Statistics by Function/Program – Last Ten Fiscal Years	S21
Per Pupil Cost – Last Ten Fiscal Years	S23
Teacher Education and Experience – Last Ten Fiscal Years	S24
Attendance and Graduation Rates – Last Ten Fiscal Years	S25
Full-time School District Employees by Function – Last Ten Fiscal Years	S26



A. Scott Gainer
Chief Financial Officer

February 29, 2016

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 five months 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, 2015.

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

The Auditor of State of Ohio, Dave Yost, has issued an unmodified (“clean”) opinion on the Cleveland Heights-University Heights City School District’s financial statements for the year ended June 30, 2015. 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 5,393 students in grades kindergarten through twelve. Additionally, the District provides preschool, after school, 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

Local Economy

The District serves approximately 46,000 residents of the City of Cleveland Heights and approximately 13,500 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 and flat or decreasing property values consistent with the overall trend in Ohio and nationally.

State funding of schools continues to change with each biennial budget. In the short-term, State funding to the District has been fairly consistent despite changing formulas over the years. In response to decreases in property tax revenue due to foreclosures, the District has engaged in ongoing operating reductions, including the closing of Wiley Middle School as part of a comprehensive facilities plan. The District successfully passed a 6.9 mill operating levy in November, 2011 and anticipates an operating levy in calendar year 2016.

Economic Condition and Outlook

The cities of Cleveland Heights and University Heights are primarily residential, and with the economic downturn, property tax collections have been affected through foreclosures and delinquencies. It is expected that tax collections will remain relatively constant at the reduced level for the foreseeable future.

Student enrollment for the 2003 school year was 6,821. Enrollment for the 2015 school year was 5,393.

Long-Term Financial Planning

Financial Highlights - Internal Service Funds - The only internal service funds carried on the financial records of the District are related to the self-insurance and the workers' compensation fund. These funds account for the revenues and expenses related to the provision of medical and workers' compensation program. The internal service funds had a net position of \$1,713,485 at June 30, 2015 compared with a net position of \$3,287,795 at June 30, 2014. The District is meeting its claim liability.

The most recent District five-year forecast indicates a positive cash balance through 2017, with an \$8.9 million deficit beginning in 2018. To compensate for declining property tax revenue and reduced interest income, 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 and anticipates another operating ballot issue in calendar year 2016.

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 Certificates of Deposit, U.S. Treasury Notes, Government Securities, Commercial Paper 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. During fiscal year 2015, the District earned \$1,756,112 in investment income of which \$215,367 was credited to the General Fund.

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 is currently being renovated and is expected to reopen for the 2017-2018 school year. Afterwards the two middle schools will be similarly renovated. The District also recently completed a five-year strategic plan, 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 (CAFR) for its comprehensive annual financial report for the fiscal year ended June 30, 2014.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive 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 comprehensive annual financial report for the fiscal year June 30, 2015.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual 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 Comprehensive Annual Financial Report for the year ended June 30, 2014. 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.

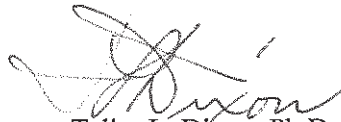
Acknowledgements

The publication of the Comprehensive Annual 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 and reviewing this financial report.

Respectfully submitted,



A. Scott Gainer
Chief Financial Officer



Talisa L. Dixon, Ph.D.
Superintendent

Association of School Business Officials International

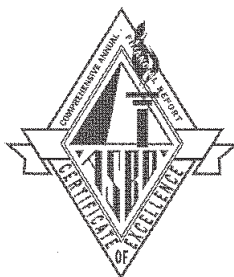


*The Certificate of Excellence in Financial Reporting Award
is presented to*

Cleveland Heights-University Heights City School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

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

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

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

Presented to

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

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

PRINCIPAL OFFICIALS

As of June 30, 2015

BOARD OF EDUCATION

- Ms. Nancy Pepler, President
- Mr. Ron Register, Vice President
- Mr. Eric Coble, Board Member
- Mr. Eric Silverman, Board Member
- Mr. Kal Zucker, Board Member

CHIEF FINANCIAL OFFICER

Mr. A. Scott Gainer

SUPERINTENDENT

Dr. Talisa L. Dixon



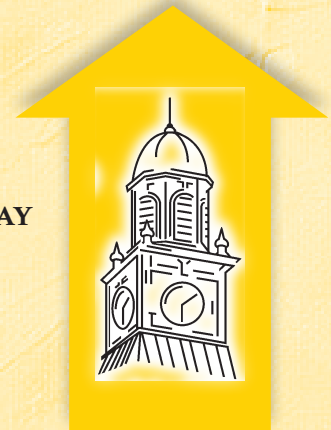
LINNEA COVAULT

*11th grade
Cleveland Heights
High School*

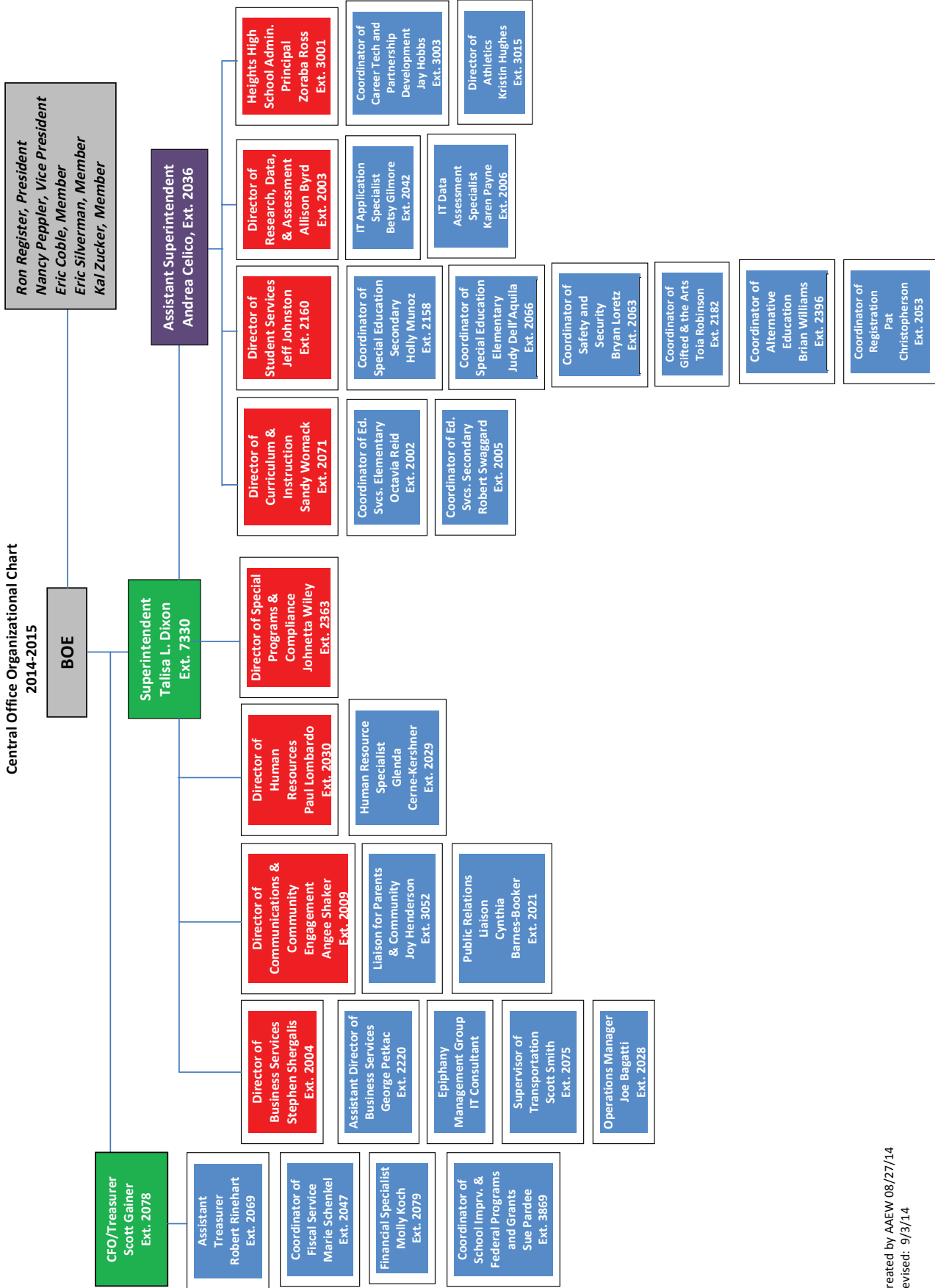


ARIANNA MURRAY

*12th grade
Cleveland Heights
High School*



CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS
Central Office Organizational Chart
2014-2015



FINANCIAL

SECTION



SETH JOHNSON

4th grade

Gearity Elementary School

.....





Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, 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, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Lausche Building, 615 Superior Ave., NW, Twelfth Floor, Cleveland, Ohio 44113-1801
Phone: 216-787-3665 or 800-626-2297 Fax: 216-787-3361

www.ohioauditor.gov

Opinion

In our opinion, the 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 Cleveland Heights-University Heights City School District, Cuyahoga County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

February 29, 2016

Cleveland **Heights**
University



City School District

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2015

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, 2015. 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 2015 are as follows:

For the fiscal year ended June 30, 2015, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The implementation of these statements resulted in the restatement of net position as of June 30, 2014 for the governmental activities and business-type activities. The food service and community services enterprise funds were also restated. See Note 2 for additional information regarding the restatement.

In total, net position increased \$2,903,298. Net position of governmental activities increased \$3,382,315 from 2014. Net position of business-type activities decreased \$479,017 from 2014.

For governmental activities, general revenues accounted for \$121,506,216 in revenue or 93% of all revenues. Program specific revenues in the form of charges for services and grants accounted for \$9,838,421 or 7% of total revenues of \$131,344,637.

The District had \$127,970,065 in expenses related to governmental activities; only \$9,838,421 of these expenses was offset by program specific charges for services and grants. The governmental activities also had net transfers in of \$7,743. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$121,506,216 were able to provide for these programs resulting in an increase of net position from \$(68,138,665) to \$(64,756,350).

Governmental activities expenses increased approximately 2.9 percent from the prior year. Instructional expenses made up 53 percent of total governmental activities expenses while support services account for 37 percent. Other expenses rounded out the remaining 10 percent.

The District had \$3,288,449 in expenses related to business-type activities; a total of \$2,817,175 was offset by program specific charges for services and grants which were inadequate to provide for these programs by \$471,274. Additionally, net transfers out totaled \$7,743, resulting in a decrease of net position from \$(3,084,580) to \$(3,563,597).

The District's major governmental funds are the General Fund and Building Fund. The General Fund had \$110,682,017 in revenues and other financing sources and \$110,738,646 in expenditures and other financing uses. The General Fund balance decreased \$56,629, from \$30,725,093 to \$30,668,464. The Building Fund had \$1,346,762 in revenues and \$22,189,441 in expenditures and other financing uses and ended the year with a fund balance of \$132,303,213.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

Using this Comprehensive Annual Financial Report (CAFR)

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 and Building Fund are by far the most significant funds and are reported as major funds.

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 funds are the General Fund and Building Fund.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

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 acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The District's fiduciary activities are reported in a separate statement on page 34. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

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 2015 and 2014.

Net Position

	Governmental Activities <u>2015</u>	Business-Type Activities <u>2015</u>	Governmental Activities <u>2014 - Restated</u>	Business-Type Activities <u>2014 - Restated</u>
Assets:				
Current and other assets	\$ 267,308,437	\$ (1,504,574)	\$ 287,661,054	\$ (1,031,610)
Capital assets, net	<u>57,851,295</u>	<u>407,689</u>	<u>37,885,939</u>	<u>440,105</u>
Total assets	<u>325,159,732</u>	<u>(1,096,885)</u>	<u>325,546,993</u>	<u>(591,505)</u>
Deferred outflows of resources:				
Pension	<u>8,900,489</u>	<u>178,706</u>	<u>8,077,073</u>	<u>165,935</u>
Liabilities:				
Current liabilities	18,617,592	143,793	14,929,574	132,855
Long-term liabilities:				
Due within one year	1,437,664	6,920	1,748,705	4,745
Due in more than one year	174,063,420	62,929	174,452,205	63,040
Net pension liability	<u>126,634,128</u>	<u>2,092,205</u>	<u>150,452,640</u>	<u>2,458,370</u>
Total liabilities	<u>320,752,804</u>	<u>2,305,847</u>	<u>341,583,124</u>	<u>2,659,010</u>
Deferred inflows of resources				
Property taxes	55,187,531	-	60,179,607	-
Pension	<u>22,876,236</u>	<u>339,571</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>78,063,767</u>	<u>339,571</u>	<u>60,179,607</u>	<u>-</u>
Net position:				
Net investment in capital assets	31,052,012	407,689	30,541,659	440,105
Restricted	13,730,442	-	11,430,276	-
Unrestricted (deficit)	<u>(109,538,804)</u>	<u>(3,971,286)</u>	<u>(110,110,600)</u>	<u>(3,524,685)</u>
Total net position (deficit)	<u>\$ (64,756,350)</u>	<u>\$ (3,563,597)</u>	<u>\$ (68,138,665)</u>	<u>\$ (3,084,580)</u>

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. 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 the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position of the governmental activities and business-type activities at June 30, 2014, from \$74,236,902 to \$(68,138,665) and \$(792,145) to \$(3,084,580), respectively.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2015, the District's liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources by \$(68,319,947).

Total assets decreased by \$892,641 due to a decrease in equity in pooled cash and investments offset by an increase in capital assets.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

Cash decreased by \$21,053,333. Last year's cash balance of \$194,545,281 included restricted assets of \$4,401,300. This year's cash balance of \$173,491,948 includes restricted assets of \$4,582,819. The decrease in cash is due to the ongoing facilities construction project. In turn, capital assets have increased as work on the same project has progressed.

Net investment in capital assets of governmental activities reported on the government-wide statements was \$31,052,012 for fiscal year 2015. Capital assets include land, construction in progress, buildings and improvements, furniture, fixtures and equipment and vehicles, and are used to provide services to students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's governmental activities net position, \$13,730,442 represents resources that are subject to external restrictions on how the funds may be used. Of the total restricted governmental activities net position, \$8,462,551 is restricted for debt service payments, including the Qualified Zone Academy Bonds, \$4,939,326 is restricted for capital projects, and \$328,565 is restricted for other purposes. The remaining balance of governmental activities net position \$(109,538,804) is an unrestricted amount available to meet the government's ongoing obligations to students and staff. The negative net position is the result of the net pension liability recorded in the current year.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

	Changes in Net Position			
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
	<u>2015</u>	<u>2015</u>	<u>2014 - Restated</u>	<u>2014 - Restated</u>
Revenues:				
Program revenues:				
Charges for services	\$ 3,134,517	\$ 915,731	\$ 5,513,276	\$ 1,718,524
Operating grants	6,683,904	1,901,444	7,882,498	1,868,291
Capital grants	20,000	-	-	-
Total program revenues	<u>9,838,421</u>	<u>2,817,175</u>	<u>13,395,774</u>	<u>3,586,815</u>
General revenues:				
Property taxes	83,575,585	-	83,186,538	-
Grants and entitlements	34,527,008	-	31,506,047	-
Investment earnings	1,756,112	-	504,723	-
Miscellaneous	1,647,511	-	1,044,771	-
Total general revenues	<u>121,506,216</u>	<u>-</u>	<u>116,242,079</u>	<u>-</u>
Total revenues	<u>131,344,637</u>	<u>2,817,175</u>	<u>129,637,853</u>	<u>3,586,815</u>
Program expenses:				
Instruction:				
Regular	41,960,022	-	41,223,022	-
Special	15,630,864	-	15,496,883	-
Vocational	1,729,582	-	2,199,170	-
Adult/continuing	214,853	-	46	-
Other instruction	8,653,671	-	8,817,024	-
Support services:				
Pupil	7,861,619	-	7,674,501	-
Instructional staff	6,740,256	-	5,838,505	-
Board of education	660,086	-	702,812	-
Administration	6,651,527	-	8,077,153	-
Fiscal	3,198,752	-	2,920,898	-
Business	1,536,059	-	1,748,679	-
Operation and maintenance of plant	13,177,175	-	13,286,205	-
Pupil transportation	4,081,598	-	4,168,805	-
Central	4,044,855	-	3,966,623	-
Food service operations	6,458	-	20,162	-
Community services	2,579,166	-	2,255,657	-
Shared services	-	-	5,149	-
Other non-instructional services	2,081	-	926	-
Extracurricular activities	1,734,080	-	2,157,104	-
Interest and fiscal charges	7,507,361	-	3,776,729	-
Food services	-	2,276,189	-	2,442,610
Uniform school supplies	-	6,858	-	31,744
Customer services	-	10,565	-	-
Community services/early childhood	-	994,837	-	821,397
Bellefaire general rotary	-	-	-	2,355
Total program expenses	<u>127,970,065</u>	<u>3,288,449</u>	<u>124,336,053</u>	<u>3,298,106</u>
Change in net position before transfers	3,374,572	(471,274)	5,301,800	288,709
Transfers	7,743	(7,743)	(11,056,420)	11,056,420
Change in net position	3,382,315	(479,017)	(5,754,620)	11,345,129
Net position at beginning of year	(68,138,665)	(3,084,580)	n/a	n/a
Net position at end of year	<u>\$ (64,756,350)</u>	<u>\$ (3,563,597)</u>	<u>\$ (68,138,665)</u>	<u>\$ (3,084,580)</u>

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

Effects of GASB 68

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$8,077,073 in the governmental activities and \$165,935 in the business-type activities computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$5,942,787 in the governmental activities and \$121,535 in the business-type activities. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Total 2015 program expenses under GASB 68	\$ 127,970,065	\$ 3,288,449
Pension expense under GASB 68	(5,942,787)	(121,535)
2015 Contractually required contribution	<u>7,708,479</u>	<u>160,900</u>
Adjusted 2015 program expenses	129,735,757	3,327,814
Total 2014 program expenses under GASB 27	<u>124,336,053</u>	<u>3,298,106</u>
Increase in program expenses not related to pension	<u>\$ 5,399,704</u>	<u>\$ 29,708</u>

Governmental Activities

The District passed an 8.5 mill levy in March 2004, a 7.2 mill levy in November 2007, a 6.9 mill levy in November 2011 and most recently a \$134.8 bond issue in November 2013. Additionally, the District cut \$6 million from the budget for the 2004-2005 fiscal year, \$1 million from the 2007-2008 fiscal year budget by closing an elementary school, and \$3 million from the 2009-2010 fiscal year budget.

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 64 percent of total governmental activities revenues for the District in fiscal year 2015.

Instruction and support services comprise 53 percent and 37 percent of governmental program expenses, respectively. The operation of non-instructional services made up 3 percent of governmental program expenses. Interest expense was 7 percent. Interest expense was attributable to the outstanding bonds and other borrowings for capital projects. Overall, governmental program expenses increased approximately \$3.6 million, mainly due to an increase in interest and fiscal charges. Interest and fiscal charges are up due to the large increase in long-term liabilities related to new debt issued in fiscal year 2014 for facility upgrades that are planned over the next few years.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

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 2015 and 2014. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Governmental Activities			
	<u>Total Cost of Services 2015</u>	<u>Net Cost of Services 2015</u>	<u>Total Cost of Services 2014</u>	<u>Net Cost of Services 2014</u>
Program expenses:				
Instruction	\$ 68,188,992	\$ 60,874,974	\$ 67,736,145	\$ 56,569,590
Pupil and instructional staff	14,601,875	14,498,629	13,513,006	13,405,020
Board of education, administration, fiscal and business	12,046,424	11,851,261	13,449,542	13,389,759
Operation and maintenance - plant	13,177,175	13,157,175	13,286,205	13,286,205
Pupil transportation	4,081,598	4,068,300	4,168,805	4,142,640
Central services	4,044,855	4,044,855	3,966,623	3,966,623
Food service operations	6,458	6,458	20,162	20,162
Community services	2,579,166	498,306	2,255,657	323,342
Shared services	-	-	5,149	5,149
Other non-instructional services	2,081	2,081	926	926
Extracurricular activities	1,734,080	1,622,244	2,157,104	2,054,134
Interest and fiscal charges	<u>7,507,361</u>	<u>7,507,361</u>	<u>3,776,729</u>	<u>3,776,729</u>
Total program expenses	\$ <u>127,970,065</u>	\$ <u>118,131,644</u>	\$ <u>124,336,053</u>	\$ <u>110,940,279</u>

The dependence upon tax revenues during fiscal year 2015 for governmental activities is apparent.

Business-Type Activities

Business-type activities include food service operation, uniform school supplies, customer services and community services/early childhood. These programs had revenues of \$2,817,175, expenses of \$3,288,449, and net transfers out of \$7,743 for fiscal year 2015. This resulted in a decrease to net position for the fiscal year of \$479,017.

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.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

As of the end of the current year, the District's governmental funds reported combined ending fund balances of \$175,701,850, a decrease of \$18,863,675 in comparison with the prior year. Approximately 5 percent of this total amount, \$9,032,379 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, \$145,242,640; has already been committed or assigned, \$21,026,197; or is in a nonspendable form, \$400,634.

The General Fund is the chief operating fund of the District. The District's General Fund balance decreased by \$56,629 in fiscal year 2015 due to transfers out of \$260,031 to cover deficit fund balances in other District funds.

<u>Revenues</u>	2015 <u>Amount</u>	2014 <u>Amount</u>	Percentage <u>Change</u>
Taxes	\$ 72,070,307	\$ 72,861,915	(1)%
Interest earnings	215,367	57,813	273%
Intergovernmental	30,043,052	30,692,116	(2)%
Other revenue	<u>6,942,436</u>	<u>6,198,096</u>	12%
Total	<u>\$ 109,271,162</u>	<u>\$ 109,809,940</u>	

The decrease in intergovernmental revenue is due to a decrease in State funding through the State Foundation Settlement reports. Other revenue increased \$744,340 due to an increase in miscellaneous revenue.

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

<u>Expenditures by Function</u>	2015 <u>Amount</u>	2014 <u>Amount</u>	Percentage <u>Change</u>
Instruction	\$ 65,940,021	\$ 64,696,566	2%
Support services	43,149,388	43,854,752	(2)%
Other non-instructional services	13,536	18,724	(28)%
Food service operations	351	14,823	(98)%
Extracurricular activities	1,258,155	1,627,470	(23)%
Debt service	<u>117,164</u>	<u>178,005</u>	(34)%
Total	<u>\$ 110,478,615</u>	<u>\$ 110,390,340</u>	

Overall, expenses in the general fund are consistent year-over-year.

The Building Fund is the District's other major governmental fund. During fiscal year 2015, the only revenue in this fund was related to earnings on investments. This was earned on the debt proceeds that have been deposited for the facilities construction projects still ongoing. The total expenses in the Building Fund were \$22,189,441 and were mostly related capital outlay related to the same project referenced above. The fund balance of the Building Fund decreased \$20,842,679 to \$132,303,213.

The fund balance of the other governmental funds increased \$2,035,633 to \$12,730,173 during the year ended June 30, 2015. It was noted that the taxes revenue increased during the year by \$2,199,430 due to an increase in taxes revenue to fund debt service for the master facilities project. The largest expenditure is for debt services related to payments on the debt taken out to fund the master facilities project.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

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 2015, 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 2015. During the course of fiscal year 2015, the total budget was changed multiple times. For the General Fund, final budgeted revenues and other financing sources were \$101,847,897, or \$269,990 lower than the original budget. Actual revenues and other financing sources for fiscal year 2015 were \$108,676,569. Actual differed from the final budget mainly due to higher than anticipated collection of intergovernmental revenue. General Fund original appropriations and other financing uses of \$113,434,633 increased to \$123,434,633 in the final budget. The increase was due to higher budgeted costs across all functions. The actual expenditures and other financing uses for fiscal year 2015 totaled \$114,860,760, which was \$8,573,873 less than the final budget appropriations. Actual differed from final budget due to lower than anticipated other financing uses.

Capital Assets

The District had \$58,258,984 invested in capital assets net of depreciation, with \$57,851,295 attributed to government activities. Net acquisition for government activities totaled \$22,099,615 and depreciation was \$2,134,259. The majority of the additions were for projects that were still in process at year-end 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, 2015, the District has \$148,202,892 in outstanding long-term bond debt and of this amount \$450,000 is due within one year. The District paid \$530,000 in principal on bonds outstanding. In addition, the District has \$20,301,187 of certificates of participation outstanding at June 30, 2015 and of this amount \$440,000 is due within one year. The District has capital leases of \$139,039 outstanding at June 30, 2015, with \$87,763 due within one year. The District paid \$107,703 on capital leases outstanding during the fiscal year ended June 30, 2015. Detailed information regarding long-term debt activity and capital lease obligations activity is included in the notes to the basic financial statements (Notes 14 and 15, respectively).

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

Economic Factors

The Board of Education and the administration closely monitor its 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 they have come to expect as normal operations. The State and local economy is stressed after experiencing a recession. Recovery is anticipated to be slow and drawn out.

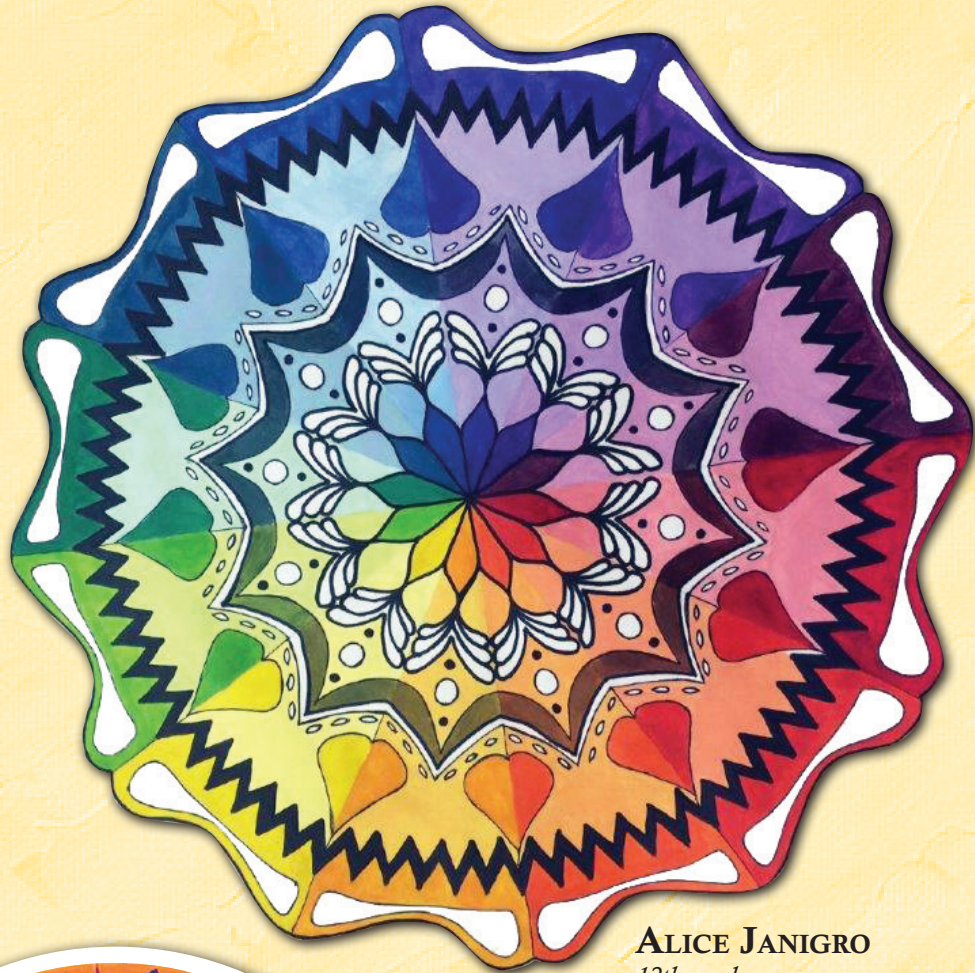
The District is dependent on local taxpayers. As discussed earlier, the District passed an 8.5 mill levy in March of 2004. However, as the District lost approximately \$9 million in tax collection due to prior levy defeats, the District was required to make \$6 million in permanent budget reductions. Additionally the District passed a 7.2 mill levy in November of 2007 and a 6.9 mill levy in 2011. 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 to provide more efficient and effective instruction at the elementary level while saving nearly \$1 million annually in operating costs, as well as closing a middle school at the end of fiscal year 2013 saving \$1.5 million in operating costs. 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 CITY SCHOOL DISTRICT
University Heights, Ohio

.....



ALICE JANIGRO
12th grade
Cleveland Heights High School

.....



LELYND CHAPMAN
3rd grade
Fairfax Elementary School

.....



Cleveland
University **Heights**



City School District

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

BASIC FINANCIAL STATEMENTS

AMANDA BENJAMIN
4th grade
Oxford Elementary School
.....



NADIAH CULP
5th grade
Oxford Elementary School
.....

AIDEN FORSYTHE
4th grade
Fairfax Elementary School
.....



Cleveland Heights-University Heights City School District

Statement of Net Position

June 30, 2015

	Primary Government		Total
	Governmental Activities	Business - Type Activities	
Assets:			
Equity in pooled cash and investments	\$ 168,820,492	\$ 88,637	\$ 168,909,129
Accounts receivable	373,271	6,050	379,321
Prepaid items	123,135	-	123,135
Intergovernmental receivable	3,545,268	-	3,545,268
Internal balances	1,638,968	(1,638,968)	-
Materials and supplies inventory	400,634	9,754	410,388
Inventory held for resale	-	29,953	29,953
Taxes receivable	87,823,850	-	87,823,850
Restricted cash and investments	4,582,819	-	4,582,819
Nondepreciable capital assets	27,320,428	-	27,320,428
Depreciable capital assets, net	<u>30,530,867</u>	<u>407,689</u>	<u>30,938,556</u>
Total assets	<u>325,159,732</u>	<u>(1,096,885)</u>	<u>324,062,847</u>
Deferred outflows of resources:			
Pensions:			
SERS	2,075,317	178,706	2,254,023
STRS	<u>6,825,172</u>	<u>-</u>	<u>6,825,172</u>
Total deferred outflows of resources	<u>8,900,489</u>	<u>178,706</u>	<u>9,079,195</u>
Liabilities:			
Accounts payable	6,338,186	51,064	6,389,250
Accrued wages and benefits	7,550,121	63,400	7,613,521
Matured compensated absences	628,962	-	628,962
Intergovernmental payable	1,772,739	29,329	1,802,068
Accrued interest payable	759,784	-	759,784
Claims payable	1,567,800	-	1,567,800
Long-term liabilities:			
Due within one year	1,437,664	6,920	1,444,584
Due in more than one year:			
Net pension liability:			
SERS	24,296,665	2,092,205	26,388,870
STRS	102,337,463	-	102,337,463
Other amounts due in more than one year	<u>174,063,420</u>	<u>62,929</u>	<u>174,126,349</u>
Total liabilities	<u>320,752,804</u>	<u>2,305,847</u>	<u>323,058,651</u>

Continued

The accompanying notes are an integral part of these financial statements.

Cleveland Heights-University Heights City School District

Statement of Net Position (continued)

June 30, 2015

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business - Type Activities</u>	
Deferred inflows of resources:			
Property taxes	55,187,531	-	55,187,531
Pension:			
SERS	3,943,417	339,571	4,282,988
STRS	<u>18,932,819</u>	<u>-</u>	<u>18,932,819</u>
Total deferred inflows of resources	<u>78,063,767</u>	<u>339,571</u>	<u>78,403,338</u>
Net position:			
Net investment in capital assets	31,052,012	407,689	31,459,701
Restricted for:			
Capital projects	4,939,326	-	4,939,326
Debt service	3,879,732	-	3,879,732
Federal programs	328,565	-	328,565
Qualified Zone Academy Bond retirement	4,582,819	-	4,582,819
Unrestricted (deficit)	<u>(109,538,804)</u>	<u>(3,971,286)</u>	<u>(113,510,090)</u>
Total net position (deficit)	<u>\$ (64,756,350)</u>	<u>\$ (3,563,597)</u>	<u>\$ (68,319,947)</u>

The accompanying notes are an integral part of these financial statements.

Cleveland Heights-University Heights City School District

Statement of Activities

For the Fiscal Year Ended June 30, 2015

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
Instruction:				
Regular	\$ 41,960,022	\$ 1,865,301	\$ 795,124	\$ -
Special	15,630,864	869,807	3,439,308	-
Vocational	1,729,582	79,112	265,366	-
Adult/continuing	214,853	-	-	-
Other instruction	8,653,671	-	-	-
Support services:				
Pupil	7,861,619	-	103,246	-
Instructional staff	6,740,256	-	-	-
Board of education	660,086	-	-	-
Administration	6,651,527	195,163	-	-
Fiscal	3,198,752	-	-	-
Business	1,536,059	-	-	-
Operations and maintenance of plant	13,177,175	-	-	20,000
Pupil transportation	4,081,598	13,298	-	-
Central	4,044,855	-	-	-
Operation of non-instructional services:				
Food service operations	6,458	-	-	-
Community services	2,579,166	-	2,080,860	-
Other operation of non-instructional services	2,081	-	-	-
Extracurricular activities	1,734,080	111,836	-	-
Interest and fiscal charges	7,507,361	-	-	-
Total governmental activities	<u>127,970,065</u>	<u>3,134,517</u>	<u>6,683,904</u>	<u>20,000</u>
Business-type activities:				
Food services	2,276,189	323,606	1,901,444	-
Uniform school supplies	6,858	13,402	-	-
Customer services	10,565	12,167	-	-
Community services/early childhood	994,837	566,556	-	-
Total business-type activities	<u>3,288,449</u>	<u>915,731</u>	<u>1,901,444</u>	<u>-</u>
Totals	\$ <u>131,258,514</u>	\$ <u>4,050,248</u>	\$ <u>8,585,348</u>	\$ <u>20,000</u>

General revenues:
 Property taxes levies for:
 General purpose
 Debt service
 Capital projects
 Grant and entitlements not restricted to specific programs
 Investment earnings
 Miscellaneous
 Transfers
 Total general revenues and transfers
 Change in net position
 Net position (deficit) at beginning of year - restated
 Net position (deficit) at end of year

The accompanying notes are an integral part of these financial statements.

<u>Primary Government</u>		
<u>Governmental Activities</u>	<u>Business - Type Activities</u>	<u>Total</u>
\$ (39,299,597)	\$ -	\$ (39,299,597)
(11,321,749)	-	(11,321,749)
(1,385,104)	-	(1,385,104)
(214,853)	-	(214,853)
(8,653,671)	-	(8,653,671)
(7,758,373)	-	(7,758,373)
(6,740,256)	-	(6,740,256)
(660,086)	-	(660,086)
(6,456,364)	-	(6,456,364)
(3,198,752)	-	(3,198,752)
(1,536,059)	-	(1,536,059)
(13,157,175)	-	(13,157,175)
(4,068,300)	-	(4,068,300)
(4,044,855)	-	(4,044,855)
(6,458)	-	(6,458)
(498,306)	-	(498,306)
(2,081)	-	(2,081)
(1,622,244)	-	(1,622,244)
<u>(7,507,361)</u>	<u>-</u>	<u>(7,507,361)</u>
<u>(118,131,644)</u>	<u>-</u>	<u>(118,131,644)</u>
-	(51,139)	(51,139)
-	6,544	6,544
-	1,602	1,602
<u>-</u>	<u>(428,281)</u>	<u>(428,281)</u>
<u>-</u>	<u>(471,274)</u>	<u>(471,274)</u>
<u>(118,131,644)</u>	<u>(471,274)</u>	<u>(118,602,918)</u>
73,060,036	-	73,060,036
7,141,001	-	7,141,001
3,374,548	-	3,374,548
34,527,008	-	34,527,008
1,756,112	-	1,756,112
1,647,511	-	1,647,511
7,743	(7,743)	-
<u>121,513,959</u>	<u>(7,743)</u>	<u>121,506,216</u>
3,382,315	(479,017)	2,903,298
<u>(68,138,665)</u>	<u>(3,084,580)</u>	<u>(71,223,245)</u>
\$ <u><u>(64,756,350)</u></u>	\$ <u><u>(3,563,597)</u></u>	\$ <u><u>(68,319,947)</u></u>

Cleveland Heights-University Heights City School District

Balance Sheet – Governmental Funds

June 30, 2015

	<u>General</u>	<u>Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in pooled cash and investments	\$ 21,801,118	\$ 136,790,168	\$ 6,675,377	\$ 165,266,663
Accounts receivable	164,157	209,114	-	373,271
Intergovernmental receivable	2,863,266	-	682,002	3,545,268
Interfund receivable	1,995,756	-	-	1,995,756
Materials and supplies inventory	400,634	-	-	400,634
Taxes receivable	76,507,406	-	11,316,444	87,823,850
Restricted cash and investments	-	-	4,582,819	4,582,819
Total assets	<u>\$ 103,732,337</u>	<u>\$ 136,999,282</u>	<u>\$ 23,256,642</u>	<u>\$ 263,988,261</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 1,279,154	\$ 4,573,148	\$ 482,211	\$ 6,334,513
Accrued wages and benefits	7,244,408	-	305,713	7,550,121
Interfund payable	-	-	356,788	356,788
Matured compensated absences	628,962	-	-	628,962
Intergovernmental payable	<u>1,320,430</u>	<u>-</u>	<u>60,303</u>	<u>1,380,733</u>
Total liabilities	<u>10,472,954</u>	<u>4,573,148</u>	<u>1,205,015</u>	<u>16,251,117</u>
Deferred inflows of resources:				
Property taxes	47,846,119	-	7,341,412	55,187,531
Unavailable revenue	<u>14,744,800</u>	<u>122,921</u>	<u>1,980,042</u>	<u>16,847,763</u>
Total deferred inflows of resources	<u>62,590,919</u>	<u>122,921</u>	<u>9,321,454</u>	<u>72,035,294</u>
Fund balances:				
Nonspendable	400,634	-	-	400,634
Restricted	-	132,303,213	12,939,427	145,242,640
Committed	249,020	-	-	249,020
Assigned	20,777,177	-	-	20,777,177
Unassigned (deficit)	<u>9,241,633</u>	<u>-</u>	<u>(209,254)</u>	<u>9,032,379</u>
Total fund balances	<u>30,668,464</u>	<u>132,303,213</u>	<u>12,730,173</u>	<u>175,701,850</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 103,732,337</u>	<u>\$ 136,999,282</u>	<u>\$ 23,256,642</u>	<u>\$ 263,988,261</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, 2015

Total governmental funds balances		\$ 175,701,850
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.		57,851,295
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	\$ 13,647,746	
Investment earnings	138,142	
Tuition	2,764,569	
Grants	<u>297,306</u>	
Total		16,847,763
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.		1,713,485
In the government-wide financial statements, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.		(759,784)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred outflows – pension	8,900,489	
Deferred inflows – pension	(22,876,236)	
Net pension liability	<u>(126,634,128)</u>	
Total		(140,609,875)
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.		
Library improvement refunding bonds	(5,915,000)	
Qualified zone academy bonds	(5,500,000)	
Certificates of participation	(20,330,000)	
General obligation school improvement bonds	(134,699,915)	
Accretion of CABs	(333,985)	
Unamortized charges – premium	(1,753,992)	
Unamortized charges – discount	28,813	
Capital leases	(139,039)	
Early retirement incentive	(288,000)	
Compensated absences	<u>(6,569,966)</u>	
Total		<u>(175,501,084)</u>
Net position of governmental activities		\$ <u>(64,756,350)</u>

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, 2015

	<u>General</u>	<u>Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 72,070,307	\$ -	\$ 10,357,384	\$ 82,427,691
Intergovernmental	30,043,052	-	8,490,498	38,533,550
Grants	-	-	36,147	36,147
Tuition and fees	5,212,754	-	-	5,212,754
Earnings on investments	215,367	1,346,762	181,849	1,743,978
Extracurricular activities	74,935	-	206,380	281,315
Classroom materials and fees	8,210	-	-	8,210
Miscellaneous	<u>1,646,537</u>	<u>-</u>	<u>66,545</u>	<u>1,713,082</u>
Total revenues	<u>109,271,162</u>	<u>1,346,762</u>	<u>19,338,803</u>	<u>129,956,727</u>
Expenditures:				
Current:				
Instruction:				
Regular	42,083,924	35,286	660,986	42,780,196
Special	13,436,752	-	2,203,723	15,640,475
Vocational	1,542,557	-	247,730	1,790,287
Adult/continuing	214,853	-	-	214,853
Other	8,661,935	-	-	8,661,935
Support services:				
Pupil	7,711,567	-	108,095	7,819,662
Instructional staff	5,270,013	-	1,385,189	6,655,202
Board of education	660,818	-	-	660,818
Administration	6,042,692	-	623,575	6,666,267
Fiscal	2,840,833	71,406	287,571	3,199,810
Business	1,401,952	-	18,000	1,419,952
Operations and maintenance of plant	11,309,367	1,080	399,325	11,709,772
Pupil transportation	3,872,755	-	5,318	3,878,073
Central	4,039,391	-	26,445	4,065,836
Operation of non-instructional services:				
Food service operations	351	-	768	1,119
Community services	11,455	-	2,560,992	2,572,447
Other non-instructional services	2,081	-	-	2,081
Extracurricular activities	1,258,155	-	474,996	1,733,151
Facilities acquisition and construction services	-	22,081,669	-	22,081,669
Debt services:				
Principal	107,703	-	1,200,000	1,307,703
Interest and fiscal charges	<u>9,461</u>	<u>-</u>	<u>7,283,979</u>	<u>7,293,440</u>
Total expenditures	<u>110,478,615</u>	<u>22,189,441</u>	<u>17,486,692</u>	<u>150,154,748</u>
Excess of revenues over (under) expenditures	<u>(1,207,453)</u>	<u>(20,842,679)</u>	<u>1,852,111</u>	<u>(20,198,021)</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, 2015

	<u>General</u>	<u>Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses):				
Transfers - in	1,410,855	-	260,031	1,670,886
Transfers - out	<u>(260,031)</u>	<u>-</u>	<u>(76,509)</u>	<u>(336,540)</u>
Total other financing sources (uses)	<u>1,150,824</u>	<u>-</u>	<u>183,522</u>	<u>1,334,346</u>
Net change in fund balance	(56,629)	(20,842,679)	2,035,633	(18,863,675)
Fund balance at beginning of year	<u>30,725,093</u>	<u>153,145,892</u>	<u>10,694,540</u>	<u>194,565,525</u>
Fund balance at end of year	\$ <u>30,668,464</u>	\$ <u>132,303,213</u>	\$ <u>12,730,173</u>	\$ <u>175,701,850</u>

The accompanying notes are an integral part of these financial statements.

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

Net change in fund balances - total governmental funds \$ (18,863,675)

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	\$ 22,099,615	
Depreciation	<u>(2,134,259)</u>	
Total		19,965,356

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

Delinquent property and other taxes	1,147,894	
Investment earnings	12,134	
Tuition	286,496	
Intergovernmental	<u>(58,614)</u>	
Total		1,387,910

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

1,307,703

Internal service funds are used by management to charge to costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.

(1,574,310)

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	(320,440)	
Early retirement incentive	(72,000)	
Amortization of premium (discount)	56,032	
Accretion on capital appreciation bonds	(271,469)	
Interest expense	<u>1,516</u>	
Total		<u>(606,361)</u>

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

7,708,479

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

(5,942,787)

Change in net position of governmental activities \$ 3,382,315

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 Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 71,368,592	\$ 71,098,602	\$ 68,394,546	\$ (2,704,056)
Intergovernmental	24,153,865	24,153,865	30,620,823	6,466,958
Tuition and fees	4,111,847	4,111,847	5,212,754	1,100,907
Earnings on investments	137,042	137,042	173,734	36,692
Miscellaneous	<u>1,179,035</u>	<u>1,179,035</u>	<u>1,494,709</u>	<u>315,674</u>
Total revenues	<u>100,950,381</u>	<u>100,680,391</u>	<u>105,896,566</u>	<u>5,216,175</u>
Expenditures:				
Current:				
Instruction:				
Regular	39,824,155	43,337,272	41,819,053	1,518,219
Special	12,215,437	13,293,028	13,557,521	(264,493)
Vocational	1,932,038	2,102,473	1,605,838	496,635
Other instruction	7,754,819	8,438,914	9,240,291	(801,377)
Support services:				
Pupil	6,248,405	6,799,612	7,868,635	(1,069,023)
Instructional staff	4,624,405	5,032,348	5,522,536	(490,188)
Board of education	739,283	804,500	692,631	111,869
Administration	6,172,829	6,717,368	6,066,590	650,778
Fiscal	2,692,231	2,929,726	2,828,835	100,891
Business	1,751,761	1,906,291	1,780,364	125,927
Operation and maintenance of plant	11,321,970	12,320,745	12,070,943	249,802
Pupil transportation	4,231,240	4,597,797	4,173,360	424,437
Central	4,097,514	4,458,982	4,168,250	290,732
Operation of non-instructional services:				
Food service operations	1,838	2,000	450	1,550
Community services	15,622	17,000	11,464	5,536
Extracurricular activities:				
Academic and subject oriented	313,139	340,761	256,067	84,694
Occupational oriented	12,865	14,000	8,046	5,954
Sports oriented	917,184	998,094	878,463	119,631
Co-curricular activities	<u>75,096</u>	<u>81,721</u>	<u>93,397</u>	<u>(11,676)</u>
Total expenditures	<u>104,941,831</u>	<u>114,192,632</u>	<u>112,644,729</u>	<u>1,547,903</u>
Excess of revenues over (under) expenditures	<u>(3,991,450)</u>	<u>(13,512,241)</u>	<u>(6,748,163)</u>	<u>6,764,078</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 Budget (Non-GAAP Budgetary Basis) and Actual – General Fund (continued)

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Proceeds from the sale of capital assets	1,302	1,302	1,650	348
Transfers - in	60,541	60,541	1,403,353	1,342,812
Transfers - out	(8,492,802)	(9,242,001)	(260,031)	8,981,970
Advances - in	1,105,663	1,105,663	1,375,000	269,337
Advances - out	-	-	(1,956,000)	(1,956,000)
Total other financing sources (uses)	<u>(7,325,296)</u>	<u>(8,074,495)</u>	<u>563,972</u>	<u>8,638,467</u>
Net change in fund balance	(11,316,746)	(21,586,736)	(6,184,191)	15,402,545
Fund balance beginning of year	22,237,866	22,237,866	22,237,866	-
Prior year encumbrances appropriated	<u>2,605,485</u>	<u>2,605,485</u>	<u>2,605,485</u>	-
Fund balance end of year	\$ <u>13,526,605</u>	\$ <u>3,256,615</u>	\$ <u>18,659,160</u>	\$ <u>15,402,545</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, 2015

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Nonmajor Enterprise Funds</u>	<u>Internal Service Funds</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 88,637	\$ 3,553,829
Accounts receivable	6,050	-
Prepaid items	-	123,135
Materials and supplies inventory	<u>39,707</u>	<u>-</u>
Total current assets	134,394	3,676,964
Non-current assets:		
Capital assets, net of depreciation	<u>407,689</u>	<u>-</u>
Total assets	<u>542,083</u>	<u>3,676,964</u>
Deferred outflows of resources:		
Pension – SERS	<u>178,706</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts payable	51,064	3,673
Accrued wages and benefits	63,400	-
Interfund payable	1,638,968	-
Intergovernmental payable	29,329	392,006
Claims payable	-	1,567,800
Current portion of accrued compensated absences	<u>6,920</u>	<u>-</u>
Total current liabilities	1,789,681	1,963,479
Non-current liabilities:		
Net pension liability	2,092,205	-
Accrued compensated absences	<u>62,929</u>	<u>-</u>
Total liabilities	<u>3,944,815</u>	<u>1,963,479</u>
Deferred inflows of resources:		
Pension – SERS	<u>339,571</u>	<u>-</u>
Net position:		
Net investment in capital assets	407,689	-
Unrestricted (deficit)	<u>(3,971,286)</u>	<u>1,713,485</u>
Total net position (deficit)	\$ <u><u>(3,563,597)</u></u>	\$ <u><u>1,713,485</u></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, 2015

	Business-Type <u>Activities</u> Nonmajor Enterprise <u>Funds</u>	Governmental <u>Activities</u> Internal Service <u>Funds</u>
Operating revenues:		
Tuition and fees	\$ 564,440	\$ -
Charges for services	-	16,207,779
Classroom materials and fees	13,402	-
Food services	306,264	-
Miscellaneous	31,625	-
Total operating revenues	<u>915,731</u>	<u>16,207,779</u>
Operating expenses:		
Salaries and wages	1,310,718	-
Fringe benefits	551,266	16,292,989
Purchased services	1,185,426	162,497
Supplies and materials	195,440	-
Depreciation	32,416	-
Other	13,183	-
Total operating expenses	<u>3,288,449</u>	<u>16,455,486</u>
Operating loss	<u>(2,372,718)</u>	<u>(247,707)</u>
Non-operating revenues:		
Federal donated commodities	159,391	-
Intergovernmental grants	1,742,053	-
Total non-operating revenues	<u>1,901,444</u>	<u>-</u>
Net loss before transfers	(471,274)	(247,707)
Transfers - out	<u>(7,743)</u>	<u>(1,326,603)</u>
Net loss	(479,017)	(1,574,310)
Total (deficit) net position at beginning of year, restated	<u>(3,084,580)</u>	<u>3,287,795</u>
Total (deficit) net position at end of year	\$ <u><u>(3,563,597)</u></u>	\$ <u><u>1,713,485</u></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, 2015

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Funds
Increase in cash and cash equivalents:		
Cash flows from operating activities:		
Cash received from customers	\$ 887,225	\$ 16,207,779
Cash received from other operating sources	25,575	-
Cash payments for materials and supplies	(41,310)	-
Cash payments for goods and services	(1,189,147)	(1,180,242)
Cash payments to employees for services	(1,272,749)	-
Cash payments for employee benefits	(612,872)	-
Cash payments for claims	-	(15,017,979)
Cash payments for other	(11,876)	-
Net cash (used for) provided by operating activities	<u>(2,215,154)</u>	<u>9,558</u>
Cash flows from non-capital financing activities:		
Intergovernmental grants received	1,742,053	-
Transfers - out	(7,743)	(1,326,603)
Advances - in	1,622,456	-
Advances - out	(1,100,000)	-
Net cash provided by (used for) non-capital financing activities	<u>2,256,766</u>	<u>(1,326,603)</u>
Net increase (decrease) in cash and cash equivalents	41,612	(1,317,045)
Cash and cash equivalents at beginning of year	<u>47,025</u>	<u>4,870,874</u>
Cash and cash equivalents at end of year	\$ <u><u>88,637</u></u>	\$ <u><u>3,553,829</u></u>
Non-cash capital and non-capital financing activities:		
Federal donated commodities	\$ 159,391	\$ -
Reconciliation of operating loss to net cash (used for) provided by operating activities:		
Operating loss	\$ (2,372,718)	\$ (247,707)
Adjustments:		
Depreciation	32,416	-
Federal donated commodities	159,391	-
GASB 68	(39,365)	-
Changes in assets/liabilities:		
Increase in accounts receivable	(2,931)	-
Decrease in prepaid items	-	180
Decrease in intergovernmental receivable	-	305,890
Increase in materials and supplies inventories	(270)	-
Increase in inventory held for resale	(4,679)	-
Decrease in accounts payable	(2,726)	(1,167)
Increase (decrease) in accrued wages and benefits	35,905	(506)
(Decrease) increase in intergovernmental payable	(22,241)	10,168
Increase in accrued compensated absences	2,064	-
Decrease in claims payable	-	(57,300)
Total adjustments	<u>157,564</u>	<u>257,265</u>
Net cash (used for) provided by operating activities	\$ <u><u>(2,215,154)</u></u>	\$ <u><u>9,558</u></u>

The accompanying notes are an integral part of these financial statements.

Cleveland Heights-University Heights City School District

Statement of Fiduciary Assets and Liabilities – Agency Funds

June 30, 2015

Assets:	
Equity in pooled cash and investments	\$ <u>55,010</u>
Liabilities:	
Due to students	\$ <u>55,010</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, 2015

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 360 classified employees, 479 certificated full-time teaching personnel and approximately 42 administrators who provide services to 5,393 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 High School, GESU School, Hebrew Academy of Cleveland, Lutheran East High School, Monarch School, Mosdos Ohr Hatorah, Ruffing Montessori, 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 School Council Association 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, 2015

Note 1: Summary of Significant Accounting Policies (continued)

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

B. Fund Accounting

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

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

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

Building Fund - The Building Fund is a capital projects fund that is used to account for the proceeds from the issuance of School Improvement Bonds and Certificates of Participation to be used for the school facility upgrades.

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 other enterprise funds of the District account for food services, uniform school supplies, customer services, and community services.

Internal Service Funds - 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. One internal service fund of the District accounts for a self-insurance program that provides medical and dental benefits to employees. The other internal service fund accounts for the claims and premiums paid to the State for workers' compensation insurance.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

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 agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District has no trust funds.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District maintains two agency funds. The first fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities. The second fund accounts for activities related to high school tournaments held by the District for the Ohio High School Athletic Association.

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. 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 1: Summary of Significant Accounting Policies (continued)

C. Basis of Presentation (continued)

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. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

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.

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, 2015

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, student fees and rentals.

Unearned Revenue Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned. The District does not have any unearned revenue at June 30, 2015.

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 position 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 pension in the Statements of Net Position. The deferred outflows of resources related to pension are explained in Note 11.

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 position 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, unavailable revenue, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 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. 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 grants 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 are reported in the Statements of Net Position (Note 11).

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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 1: Summary of Significant Accounting Policies (continued)

E. Budgets

All funds, other than agency 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 2015, investments were limited to money market accounts, United States government securities 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 and repurchase agreements are reported at cost.

The District has invested funds in STAR Ohio during fiscal year 2015. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2015.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 1: Summary of Significant Accounting Policies (continued)

F. Cash and Cash Equivalents (continued)

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 2015 amounted to \$215,367. The amount allocated from the other funds during fiscal year 2015 amounted to \$47,247.

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. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. Restricted assets include the amount for the future repayment of the Qualified Zone Academy Bond ("QZAB") held with a fiscal agent until the debt becomes due. See Note 14 for additional information regarding the QZAB.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, 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.

I. 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.

J. 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. 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. Interest incurred during the construction of capital assets is also capitalized.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 1: Summary of Significant Accounting Policies (continued)

J. Capital Assets (continued)

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	20 years	20 years
Buildings and improvements	20 - 99 years	20 - 50 years
Furniture and equipment	4 - 20 years	5 - 20 years
Vehicles	8 years	N/A

K. 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.”

L. 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, 2015

Note 1: Summary of Significant Accounting Policies (continued)

M. 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, claims and judgments, 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.

N. Fund Balance

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

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

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

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 1: Summary of Significant Accounting Policies (continued)

N. Fund Balance (continued)

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

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

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

O. Pension

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

P. 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 when an expense is incurred for purposes for which both restricted and unrestricted net position is available. As of June 30, 2015, the District did not have net position restricted by enabling legislation.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 1: Summary of Significant Accounting Policies (continued)

Q. 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 tuition for adult and special education classes, sales for food service and uniform school supplies, collection of classroom fees and charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

R. 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.

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. During fiscal year 2015, the District had neither extraordinary items nor special items.

T. 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 2: Change in Accounting Principles

For fiscal year 2015, the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of these pronouncements had the following effect on net position as reported June 30, 2014:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net position at June 30, 2014	\$ 74,236,902	\$ (792,145)	\$ 73,444,757
Net pension liability	(150,452,640)	(2,458,370)	(152,911,010)
Deferred outflow – payments			
Subsequent to measurement date	<u>8,077,073</u>	<u>165,935</u>	<u>8,243,008</u>
Restated net position at June 30, 2014	<u>\$ (68,138,665)</u>	<u>\$ (3,084,580)</u>	<u>\$ (71,223,245)</u>

The Food Services Enterprise Fund was restated from \$(741,851) to \$(1,947,383) and the Community Services/Early Childhood Enterprise Fund was restated from \$(72,907) to \$(1,159,810) to account for the total Business-Type Activities restatement.

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

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 generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund 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, 2015

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	\$ (56,629)
Revenue Accruals	(3,217,939)
Advances - in	1,375,000
Expenditure Accruals	484,727
Advances - out	(1,956,000)
Encumbrances	(2,843,590)
To reclassify the net change in fund balance for funds combined with the General Fund	<u>30,240</u>
Budget Basis	<u>\$ (6,184,191)</u>

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 government 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>Building</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Inventory	\$ <u>400,634</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>400,634</u>
Restricted for:				
Community activities	-	-	92,854	92,854
Athletics	-	-	109,205	109,205
Auxiliary services	-	-	223,187	223,187
Straight "A"	-	-	1,850	1,850
School improvement	-	-	1,829	1,829
English proficiency	-	-	422	422
Improving teacher quality	-	-	31,155	31,155
Debt service payments	-	-	3,276,557	3,276,557
Capital improvements	-	<u>132,303,213</u>	<u>9,202,368</u>	<u>141,505,581</u>
Total restricted	<u>-</u>	<u>132,303,213</u>	<u>12,939,427</u>	<u>145,242,640</u>
Committed for:				
Purchases on order:				
Healthcare processing	51,000	-	-	51,000
Transportation costs	<u>198,020</u>	<u>-</u>	<u>-</u>	<u>198,020</u>
Total committed	<u>249,020</u>	<u>-</u>	<u>-</u>	<u>249,020</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 4: Fund Balances (continued)

Assigned to:

Public school support	208,682	-	-	208,682
Subsequent year's budget:				
appropriation of fund balance	18,888,233	-	-	18,888,233
Purchases on order:				
Utilities	322,316	-	-	322,316
Instruction services and supplies	437,599	-	-	437,599
Maintenance services and supplies	210,736	-	-	210,736
Office equipment	18,988	-	-	18,988
Security	283,545	-	-	283,545
Other	407,078	-	-	407,078
Total assigned	<u>20,777,177</u>	<u>-</u>	<u>-</u>	<u>20,777,177</u>
Unassigned (deficit)	<u>9,241,633</u>	<u>-</u>	<u>(209,254)</u>	<u>9,032,379</u>
Total	\$ <u>30,668,464</u>	\$ <u>132,303,213</u>	\$ <u>12,730,173</u>	\$ <u>175,701,850</u>

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.

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 5: Deposits and Investments (continued)

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 one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt interests rated in either of the two highest 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 5: Deposits and Investments (continued)

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. Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of District funds shall be required to pledge as security for repayment of all public moneys.

At year-end, the carrying amount of the District's deposits was \$47,903,314 and the bank balance was \$48,509,858. Of the bank balance, \$38,427,675 was covered by Federal depository insurance and \$10,082,183 was uninsured and was collateralized with securities held by the pledging institution's trust department, not in the District's name. At fiscal year-end, the District had \$4,802 undeposited cash on hand, which is included on the balance sheet of the District as part of "equity in pooled cash and investments."

Investments

Investments are reported as fair value. As of June 30, 2015, the District had the following investments:

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>
Federal Home Loan Bank	\$ 18,099,310	\$ 13,582,510	\$ 4,516,800
Federal Farm Credit Bank	9,257,043	4,503,875	4,753,168
Federal National Mortgage Association	36,146,610	6,014,800	30,131,810
Federal Home Loan Mortgage Corporation	20,522,940	5,006,800	15,516,140
U.S. Treasury Notes	38,127,090	19,025,990	19,101,100
Money market	2,442,378	2,442,378	-
STAR Ohio	1,043,471	1,043,471	-
Total portfolio	\$ <u>125,638,842</u>	\$ <u>51,619,824</u>	\$ <u>74,019,018</u>

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. To date, no investments have been purchased with a maturity greater than one year.

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, 2015

Note 5: Deposits and 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 Home Loan Bank bonds, Federal Farm Credit Bank bonds, Federal National Mortgage Association bonds and Federal Home Loan Mortgage Corporation bonds all carry a rating of Aaa by Standard and Poor's. The U.S. Treasury Notes are not rated.

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, 2015:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Federal Home Loan Bank	14.4%
Federal Farm Credit Bank	7.4
Federal National Mortgage Association	28.8
Federal Home Loan Mortgage Corporation	16.3
U.S. Treasury Notes	30.3
Money market	2.0
STAR Ohio	0.8

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 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed value listed as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid 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 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2013, were levied after April 1, 2014 and are collected in 2015 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, 2015

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, 2015, are available to finance fiscal year 2015 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, 2015 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, 2015 was \$16,230,288 for the General Fund, \$1,518,566 in the Bond Retirement Fund, and \$773,730 in the Permanent Improvement Fund.

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014		2015	
	<u>Second-Half Collections</u>		<u>First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,068,237,550	98.48%	\$ 1,057,992,160	98.37%
Public utility	<u>16,523,940</u>	<u>1.52%</u>	<u>17,518,250</u>	<u>1.63%</u>
	\$ <u>1,084,761,490</u>	<u>100.00%</u>	\$ <u>1,075,510,410</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation		\$ 149.59		\$ 149.59

Note 7: Interfund Transactions

Interfund transactions for the year ended June 30, 2015 consisted of the following:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 356,788
General Fund	Nonmajor Enterprise Funds	<u>1,638,968</u>
		\$ <u>1,995,756</u>

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, 2015, all interfund loans outstanding are anticipated to be repaid during fiscal year 2016. Interfund balances of \$1,638,968 on the government-wide financial statements are a result of advances for reimbursements due from operations and the elimination of intrafund balances of \$270,000.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 7: Interfund Transactions (continued)

Interfund transfers for the year ended June 30, 2015, consisted of the following:

	<u>Amount</u>
Transfers from General Fund to:	
Nonmajor Governmental Funds	\$ 260,031
Transfer from Nonmajor Governmental Funds to:	
General Fund	76,509
Transfers from Nonmajor Enterprise Funds to:	
General Fund	7,743
Transfers from Internal Service Funds to:	
General Fund	<u>1,326,603</u>
	<u>\$ 1,670,886</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. The transfer from nonmajor governmental funds to the General Fund was to cover costs paid out of the General Fund that could be paid out of the nonmajor governmental funds and to clean up dormant accounts. The transfers from the nonmajor enterprise funds to the General Fund were to move fundraising money to the proper principal accounts where the District is required to report the expenditures. The transfer from the internal service fund to the General Fund was to close out the remaining fund balance in a fund in which the activity is now being reported in the General fund.

Note 8: Receivables

Receivables at June 30, 2015, consisted of taxes, accounts (rent and student fees), tuition and 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.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental activities:	
Tuition	\$ 2,764,569
Fuel reimbursements	17,824
Race to the Top grant	82,400
IDEA (flo-thru) grant	36,466
Title I grant	354,076
Title II grant	70,346
Other federal grants	138,714
State Employees Retirement System refund	<u>80,873</u>
Total intergovernmental receivable	<u>\$ 3,545,268</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 9: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance at 6/30/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at 6/30/15</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,981,623	\$ -	\$ -	\$ 1,981,623
Construction in progress	<u>4,218,708</u>	<u>21,888,028</u>	<u>(767,931)</u>	<u>25,338,805</u>
Total capital assets, not being depreciated	<u>6,200,331</u>	<u>21,888,028</u>	<u>(767,931)</u>	<u>27,320,428</u>
Capital assets, being depreciated:				
Land improvements	5,224,208	204,251	-	5,428,459
Buildings and improvements	50,881,424	616,515	-	51,497,939
Furniture and equipment	8,082,229	83,084	-	8,165,313
Vehicles	<u>4,318,851</u>	<u>75,668</u>	<u>-</u>	<u>4,394,519</u>
Total capital assets, being depreciated	<u>68,506,712</u>	<u>979,518</u>	<u>-</u>	<u>69,486,230</u>
Less accumulated depreciation:				
Land improvements	(2,655,806)	(211,671)	-	(2,867,477)
Buildings and improvements	(25,094,238)	(1,287,539)	-	(26,381,777)
Furniture and equipment	(6,278,701)	(293,354)	-	(6,572,055)
Vehicles	<u>(2,792,359)</u>	<u>(341,695)</u>	<u>-</u>	<u>(3,134,054)</u>
Total accumulated depreciation	<u>(36,821,104)</u>	<u>(2,134,259)</u>	<u>-</u>	<u>(38,955,363)</u>
Total capital assets being depreciated, net	<u>31,685,608</u>	<u>(1,154,741)</u>	<u>-</u>	<u>30,530,867</u>
Governmental activities capital assets, net	\$ <u>37,885,939</u>	\$ <u>20,733,287</u>	\$ <u>(767,931)</u>	\$ <u>57,851,295</u>

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular	\$ 354,585
Vocational	9,801
Support services:	
Instructional staff	3,109
Business	120,898
Operations and maintenance of plant	1,365,491
Pupil transportation	231,216
Central	14,255
Food services	5,339
Community services	8,503
Extracurricular activities	<u>21,062</u>
	\$ <u>2,134,259</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 9: Capital Assets (continued)

	<u>Balance at 6/30/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at 6/30/15</u>
Business-type activities:				
Capital assets, being depreciated:				
Land improvements	\$ 6,274	\$ -	\$ -	\$ 6,274
Buildings and improvements	1,250,810	-	-	1,250,810
Furniture and equipment	<u>579,211</u>	<u>-</u>	<u>-</u>	<u>579,211</u>
Total capital assets, being depreciated	<u>1,836,295</u>	<u>-</u>	<u>-</u>	<u>1,836,295</u>
Less accumulated depreciation:				
Land improvements	(6,274)	-	-	(6,274)
Buildings and improvements	(932,356)	(12,143)	-	(944,499)
Furniture and equipment	<u>(457,560)</u>	<u>(20,273)</u>	<u>-</u>	<u>(477,833)</u>
Total accumulated depreciation	<u>(1,396,190)</u>	<u>(32,416)</u>	<u>-</u>	<u>(1,428,606)</u>
Business-type activities capital assets, net	\$ <u>440,105</u>	\$ <u>(32,416)</u>	\$ <u>-</u>	\$ <u>407,689</u>

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 2015, 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	\$500 deductible \$236,928,552 limit
Inland Marine – Equipment-type listed with different limits	\$500 deductible \$12,273,299 limit
Flood and Earthquake Limit	\$50,000 deductible \$2,000,000 limit (each)
Crime	\$100,000 limit with excess coverage \$1,000,000
General Liability/Employer’s Liability	\$5,000,000 limit \$7,000,000 aggregate
Employee Benefits Liability	\$-0- deductible \$5,000,000 limit \$7,000,000 aggregate
School Leaders Professional Liability	\$5,000 deductible \$5,000,000 limit/aggregate

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 10: Risk Management (continued)

A. Property and Liability (continued)

Fleet:	\$5,000,000 limit
Vehicles other than buses	\$500 comprehensive deductible \$500 collision deductible
Buses	\$500 comprehensive deductible \$500 collision deductible
Umbrella	\$10,000,000 limit
Property and Inland Marine	\$500 deductible-boilers
Boiler and Machinery	\$500 deductible
Public Official Bonds	\$50,000,000 limit
Sexual Misconduct and Molestation	\$20,000-\$100,000 limit
Data Compromise	\$5,000,000 limit/aggregate
Law Enforcement	\$25,000 limit/aggregate \$5,000,000 limit/aggregate

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no change from prior year's coverage.

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 \$1,567,800 have been accrued in the Self-Insurance Internal Service Fund at June 30, 2015, 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, 2015

Note 10: Risk Management (continued)

C. Employee Medical Benefits (continued)

The claims liability of \$1,567,800 reported in the Self-Insurance Internal Service Fund at June 30, 2015, is based on an estimate provided by the third-party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the Self-Insurance Internal Service Fund's claims liability amount in 2013, 2014, and 2015 are as follows:

	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
June 30, 2013	\$ 1,767,000	\$ 13,633,910	\$ 13,685,510	\$ 1,715,400
June 30, 2014	1,715,400	12,297,949	12,388,249	1,625,100
June 30, 2015	1,625,100	14,296,844	14,354,144	1,567,800

Note 11: Pension Plans

A. Net Pension Liability

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

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

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

A. Net Pension Liability (continued)

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

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

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

Age and service requirements for retirement are as follows:

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

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

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

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

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District's contractually required contribution to SERS was \$2,029,427 for fiscal year 2015. The District contributed 100 percent of the required contribution as of June 30, 2015.

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 administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

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

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$5,839,952 for fiscal year 2015. Of this amount, \$976,364 is reported as intergovernmental payable.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

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, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS		STRS	Total
	Governmental	Business-type	Governmental	
Proportionate Share of the Net Pension Liability	\$ 24,296,665	\$ 2,092,205	\$ 102,337,463	\$ 128,726,333
Proportion of the Net Pension Liability	<u>0.521422%</u>	<u>0.521422%</u>	<u>0.420736%</u>	
Pension Expense	\$ <u>1,411,372</u>	\$ <u>121,535</u>	\$ <u>4,531,415</u>	\$ <u>6,064,322</u>

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS		STRS	Total
	Governmental	Business-type	Governmental	
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ 206,790	\$ 17,806	\$ 985,220	\$ 1,209,816
District contributions subsequent to the measurement date	<u>1,868,527</u>	<u>160,900</u>	<u>5,839,952</u>	<u>7,869,379</u>
Total Deferred Outflows of Resources	\$ <u>2,075,317</u>	\$ <u>178,706</u>	\$ <u>6,825,172</u>	\$ <u>9,079,195</u>
Deferred Inflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ <u>3,943,417</u>	\$ <u>339,571</u>	\$ <u>18,932,819</u>	\$ <u>23,215,807</u>

The District reported \$7,869,379 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS		STRS	Total
	Governmental	Business-type	Governmental	
Fiscal Year Ending June 30:				
2016	\$ (934,157)	\$ (80,441)	\$ (4,486,900)	\$ (5,501,498)
2017	(934,157)	(80,441)	(4,486,900)	(5,501,498)
2018	(934,157)	(80,441)	(4,486,900)	(5,501,498)
2019	<u>(934,156)</u>	<u>(80,442)</u>	<u>(4,486,899)</u>	<u>(5,501,497)</u>
Total	\$ <u>(3,736,627)</u>	\$ <u>(321,765)</u>	\$ <u>(17,947,599)</u>	\$ <u>(22,005,991)</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

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.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

E. Actuarial Assumptions – SERS (continued)

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

Asset Class	Target <u>Allocation</u>	Long-Term Expected <u>Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	<u>15.00</u>	7.50
Total	<u><u>100.00</u></u> %	

Discount Rate The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the 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 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease <u>(6.75%)</u>	Current Discount Rate <u>(7.75%)</u>	1% Increase <u>(8.75%)</u>
District's proportionate share of the net pension liability	\$ 37,649,077	\$ 26,388,870	\$ 16,918,063

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

F. Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 11: Pension Plans (continued)

F. Actuarial Assumptions – STRS (continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, 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 (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease <u>(6.75%)</u>	Current Discount Rate <u>(7.75%)</u>	1% Increase <u>(8.75%)</u>
District's proportionate share of the net pension liability	\$ 146,507,236	\$ 102,337,463	\$ 64,984,699

Note 12: Post-Employment Benefits

A. School Employees Retirement System

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 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other post-employment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, prorated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the District's surcharge obligation was \$237,589.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 12: Post-Employment Benefits (continued)

A. School Employees Retirement System (continued)

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$363,851, \$274,869, and \$295,663, respectively. For fiscal year 2015, 34.7 percent has been contributed, with the remaining balance being reported as intergovernmental payable. The full amount has been contributed for fiscal years 2014 and 2013.

B. State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$-0-, \$419,409, and \$490,815 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

Note 13: Employee Benefits

A. Compensated Absences

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

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 13: Employee Benefits (continued)

B. Early Retirement Incentive

The District offers employees participation in a Retirement Incentive program. Participation is open to teachers who have been employed by the District for at least ten years and who opt to retire at the end of any school year and have been approved by STRS to receive retirement benefits other than disability retirement with thirty years or fewer of service credit. Eligible employees must notify the Board of their intention to retire in writing, no later than March 1 of the year they intend to retire. Eligible employees who fulfill the above requirements will receive two equal lump sums of \$12,000, each to be paid as soon after June 30 as practicable in the year of retirement and the following year. Certain classified employees are also eligible to receive a retirement incentive.

The last installment of the 2013-2014 and the first installment of the 2014-2015 Retirement Incentive Programs were paid prior to June 30, 2015. These payments of \$348,000 were made from the General Fund.

The last installment of the 2014-2015 and the first installment of the 2015-2016 Retirement Incentive Programs will be paid starting in July 2015. These payments of \$492,000 will be made from the General Fund and are reported as a liability in the fund financial statements.

The last installment of the 2014-2015 Retirement Incentive Programs will be completed in July 2016. The payments of \$288,000 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, 2015

Note 14: Long - Term Liabilities

The changes in the District's long-term obligations during fiscal year 2015 were as follows:

	Principal Outstanding 6/30/14	Additions	Deletions	Principal Outstanding at 6/30/15	Amounts Due in One Year
Governmental activities:					
2012 \$6,750,000 Library Improvement Refunding Bonds – interest rates of 2.00-2.25%	\$ 6,345,000	\$ -	\$ 430,000	\$ 5,915,000	\$ 440,000
Premium on Library Improvement Refunding Bonds	173,092	-	13,315	159,777	-
2014 \$21,000,000 Certificates of Participation – interest rates of 1.5-5.0%	21,000,000	-	670,000	20,330,000	440,000
Discount on Certificates of Participation	(29,773)	-	(960)	(28,813)	-
2014 \$134,799,915 School Improvement Bonds – interest Rates of 1.50-19.85%	134,799,915	-	100,000	134,699,915	10,000
Premium on School Improvement Bonds	1,637,892	-	43,677	1,594,215	-
Appreciation on Capital Appreciation Bonds	62,516	271,469	-	333,985	-
Qualified Zone Academy Bonds	5,500,000	-	-	5,500,000	-
Capital lease obligations	246,742	-	107,703	139,039	87,763
Early retirement incentive	216,000	288,000	216,000	288,000	-
Net pension liability:					
SERS	28,548,923	-	4,252,258	24,296,665	-
STRS	121,903,717	-	19,566,254	102,337,463	-
Compensated absences	6,249,526	1,204,816	884,376	6,569,966	459,901
Total governmental long-term liabilities	\$ <u>326,653,550</u>	\$ <u>1,764,285</u>	\$ <u>26,282,623</u>	\$ <u>302,135,212</u>	\$ <u>1,437,664</u>
Business-type activities:					
Net pension liability – SERS	\$ 2,458,370	\$ -	\$ 366,165	\$ 2,092,205	\$ -
Compensated absences	67,785	2,064	-	69,849	6,920
Total business-type long-term liabilities	\$ <u>2,526,155</u>	\$ <u>2,064</u>	\$ <u>366,165</u>	\$ <u>2,162,054</u>	\$ <u>6,920</u>

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

During fiscal year 2004, the District was authorized to issue \$5.5 million in Qualified Zone Academy Bonds (QZAB) in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), which was used for the rehabilitation and repair portions of the District's facilities. On April 2, 2004, the District issued the \$5.5 million QZAB that matures on April 25, 2019. The entire principal balance of \$5.5 million is due at maturity and the bonds do not bear interest. To satisfy escrow requirements of the program, the District placed \$2.5 million in an escrow account with a local bank, which is included in the restricted cash and cash equivalents on the Statement of Net Position, as well as the Permanent Improvement Fund.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 14: Long - Term Liabilities (continued)

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 percent to 2.25 percent.

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. As a result, \$6,825,000 of the Series 2002 bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the District's financial statements. 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 1.5 percent to 19.85 percent.

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

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

The legal debt margin of the District as of June 30, 2015, was \$-0- with an unvoted debt margin of \$1,075,510.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 14: Long - Term Liabilities (continued)

Principal and interest requirements to retire general obligation bonds and library improvement bonds outstanding at June 30, 2015, are as follows:

	School Improvement Bonds			Library Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 10,000	\$ 6,191,300	\$ 6,201,300	\$ 440,000	\$ 116,613	\$ 556,613
2017	35,000	6,190,962	6,225,962	450,000	107,713	557,713
2018	565,000	6,186,463	6,751,463	455,000	98,662	553,662
2019	575,000	6,177,913	6,752,913	470,000	89,412	559,412
2020	354,207	6,173,600	6,527,807	475,000	79,962	554,962
2021-2025	4,577,088	30,868,000	35,445,088	2,540,000	250,762	2,790,762
2026-2030	9,428,620	30,044,537	39,473,157	1,085,000	24,582	1,109,582
2031-2035	14,700,000	26,904,515	41,604,515	-	-	-
2036-2040	20,695,000	22,450,640	43,145,640	-	-	-
2041-2045	28,310,000	16,666,601	44,976,601	-	-	-
2046-2050	37,315,000	9,249,338	46,564,338	-	-	-
2051-2052	18,135,000	917,875	19,052,875	-	-	-
Total	\$ <u>134,699,915</u>	\$ <u>168,021,744</u>	\$ <u>302,721,659</u>	\$ <u>5,915,000</u>	\$ <u>767,706</u>	\$ <u>6,682,706</u>

	Certificates of Participation			Total		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 440,000	\$ 794,418	\$ 1,234,418	\$ 890,000	\$ 7,102,331	\$ 7,992,331
2017	450,000	787,743	1,237,743	935,000	7,086,418	8,021,418
2018	455,000	780,956	1,235,956	1,475,000	7,066,081	8,541,081
2019	460,000	774,094	1,234,094	1,505,000	7,041,419	8,546,419
2020	470,000	765,944	1,235,944	1,299,207	7,019,506	8,318,713
2021-2025	2,530,000	3,620,001	6,150,001	9,647,088	34,738,763	44,385,851
2026-2030	2,980,000	3,156,490	6,136,490	13,493,620	33,225,609	46,719,229
2031-2035	3,605,000	2,510,280	6,115,280	18,305,000	29,414,795	47,719,795
2036-2040	4,495,000	1,583,751	6,078,751	25,190,000	24,034,391	49,224,391
2041-2045	4,445,000	410,962	4,855,962	32,755,000	17,077,563	49,832,563
2046-2050	-	-	-	37,315,000	9,249,338	46,564,338
2051-2052	-	-	-	18,135,000	917,875	19,052,875
Total	\$ <u>20,330,000</u>	\$ <u>15,184,639</u>	\$ <u>35,514,639</u>	\$ <u>160,944,915</u>	\$ <u>183,974,089</u>	\$ <u>344,919,004</u>

Note 15: Lease Obligations

The District has entered into capital leases for copier equipment. These leases meet the criteria of a capital lease. Governmental activities capital assets consisting of copier equipment have capital lease balances at June 30, 2015 in the amounts of \$139,039. For the copier equipment, the present value of the future minimum payments at the time of acquisition was \$485,829 less accumulated depreciation, \$410,555. Principal payments for all of capital leases in the 2015 fiscal year totaled \$107,703. These amounts are reported as debt service principal expenditures of the General Fund.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 15: Lease Obligations (continued)

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the future minimum lease payments as of June 30, 2015:

	Capital Leases
2016	\$ 91,788
2017	19,941
2018	19,941
2019	<u>14,954</u>
Total minimum lease payments	146,624
Less: amounts representing interest	<u>(7,585)</u>
Present value minimum capital lease payments	<u>\$ 139,039</u>

The District has also entered into two operating leases to assist with parking requirements during the school facilities construction project that is ongoing.

The first lease is for a period of five years and requires monthly payments of \$2,200. The second lease is for two years with the option to extend the lease for an additional two-year term and requires monthly payments of \$2,000. The following is a schedule of the future minimum lease payments required under the operating leases at year-end:

	Operating Leases
2016	\$ 50,400
2017	50,400
2018	26,400
2019	26,400
2020	<u>8,800</u>
Total minimum lease payments	<u>\$ 162,400</u>

Rent expense related to the operating leases totaled \$17,600 for the year ended June 30, 2015.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 16: Jointly Governed Organization

The Ohio Schools' Council Association (the "Council") is a jointly governed organization among 200 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 2015, the District paid \$1,009,264 to the Council. Financial information can be obtained by contacting William J. 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, provided for a fixed per kilowatt-hour for electricity generation until May 2014, and then converted to a new fixed price or percent off the Price to Compare (PTC), whichever provided the greatest savings until December 2019.

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

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.

	<u>Capital Improvements</u>
Set-aside reserve balance as of June 30, 2014	\$ -
Current year set-aside requirements	972,512
Qualifying disbursements	<u>(14,699,604)</u>
Total set-aside reserve balance as of June 30, 2015	\$ <u>(13,727,092)</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 17: Set-Aside Requirements (continued)

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, 2015, the District's significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Remaining on Contract</u>
Facilities construction project	\$ <u>43,681,225</u>	\$ <u>25,304,892</u>	\$ <u>18,376,333</u>

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

	<u>Encumbrances</u>
General Fund	\$ 1,942,546
Nonmajor Funds	<u>671,430</u>
Total other significant commitments	\$ <u>2,613,976</u>

The Building Fund balance is reported above in the contractual commitments.

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, 2015.

B. Litigation

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 19: Contingencies (continued)

C. Foundation Funding

District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

Note 20: Related Organization

The Cleveland Heights-University Heights Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District serves as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Cleveland Heights-University Heights Public Library at 2345 Lee Road, Cleveland Heights, Ohio 44118.

Note 21: Accountability and Compliance

A. Accountability

The following funds had deficit fund balances/net position at June 30, 2015:

Special Revenue Funds:	
Public School Preschool Grant	\$ 620
Alternative School Grant	7,305
Idea (Flo-Thru)	25,342
Vocational Education	26,130
Title I Improvement	13,974
Title I	79,993
Miscellaneous Federal Grants	55,890
Enterprise Funds:	
Food Services	1,998,522
Community services/early childhood	1,588,091
Internal Services Funds:	
Workers Compensation	380,741

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2015

Note 21: Accountability and Compliance (continued)

A. Accountability (continued)

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

B. Compliance

Contrary to Ohio Revised Code Section 5705.41(B), the Building Fund had appropriations in excess of expenditures plus encumbrances of \$6,980,024 at June 30, 2015.

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

Last Two Fiscal Years

	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.521422%	0.521422%
School District's Proportionate Share of the Net Pension Liability	\$ 26,388,870	\$ 31,007,293
School District's Covered-Employee Payroll	\$ 15,100,571	\$ 14,816,958
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	174.75%	209.27%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.70%	65.52%

(1) Information prior to 2013 is not available.

Amounts presented as of the School District's measurement date which is the prior fiscal year-end.

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

Last Two Fiscal Years

	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.420736%	0.420736%
School District's Proportionate Share of the Net Pension Liability	\$ 102,337,463	\$ 121,903,717
School District's Covered-Employee Payroll	\$ 47,308,229	\$ 49,081,508
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	216.32%	248.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	69.30%

(1) Information prior to 2013 is not available.

Amounts presented as of the School District's measurement date which is the prior fiscal year-end.

Cleveland Heights-University Heights City School District

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

Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ 2,029,427	\$ 2,092,939	\$ 2,050,667	\$ 2,087,659	\$ 1,827,770
Contributions in relation to the contractually required contribution	<u>(2,029,427)</u>	<u>(2,092,939)</u>	<u>(2,050,667)</u>	<u>(2,087,659)</u>	<u>(1,827,770)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered-employee payroll	\$ 15,397,779	\$ 15,100,571	\$ 14,816,958	\$ 15,521,628	\$ 14,540,732
Contributions as a percentage of covered-employee payroll	13.18%	13.86%	13.84%	13.45%	12.57%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually required contribution	\$ 1,960,532	\$ 1,185,496	\$ 1,162,039	\$ 1,196,361	\$ 1,267,572
Contributions in relation to the contractually required contribution	<u>(1,960,532)</u>	<u>(1,185,496)</u>	<u>(1,162,039)</u>	<u>(1,196,361)</u>	<u>(1,267,572)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered-employee payroll	\$ 14,479,557	\$ 12,047,724	\$ 11,833,391	\$ 11,201,882	\$ 11,980,832
Contributions as a percentage of covered-employee payroll	13.54%	9.84%	9.82%	10.68%	10.58%

Cleveland Heights-University Heights City School District

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

Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ 5,839,952	\$ 6,150,070	\$ 6,380,596	\$ 6,503,136	\$ 6,789,522
Contributions in relation to the contractually required contribution	<u>(5,839,952)</u>	<u>(6,150,070)</u>	<u>(6,380,596)</u>	<u>(6,503,136)</u>	<u>(6,789,522)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered-employee payroll	\$ 41,713,943	\$ 47,308,229	\$ 49,081,508	\$ 50,024,123	\$ 52,227,092
Contributions as a percentage of covered-employee payroll	14.00%	13.00%	13.00%	13.00%	13.00%
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually required contribution	\$ 6,243,823	\$ 6,042,362	\$ 5,955,996	\$ 5,753,889	\$ 5,782,094
Contributions in relation to the contractually required contribution	<u>(6,243,823)</u>	<u>(6,042,362)</u>	<u>(5,955,996)</u>	<u>(5,753,889)</u>	<u>(5,782,094)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
School district covered-employee payroll	\$ 48,029,408	\$ 46,479,708	\$ 45,815,354	\$ 44,260,685	\$ 44,477,646
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	13.00%	13.00%	13.00%

Cleveland **Heights**
University



City School District

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

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



MALIA BREWER
1st grade
Gearity Elementary School
.....

MALCOLM MCFARLAND
Kindergarten
Fairfax Elementary School
.....



Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds Fund Descriptions

June 30, 2015

Nonmajor Special Revenue Funds

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

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

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.

Straight A This fund is provided to account for restricted State grant monies to help Ohio schools launch creative new ideas and improving education.

Alternative School Grant The Alternative School Grant was established to provide funding for Saturday School for discipline problem students. The funds will be used for intervention programs, support groups for families, homework centers, tutoring programs, and various other programs to aid severe behavior students. The fund will be used for salaries, benefits, supplies, purchased services, and equipment associated with the program.

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

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.

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds Fund Descriptions

June 30, 2015

Nonmajor Special Revenue Funds (continued)

Race to the Top The purpose of this fund accounts for federal monies that are part of the American Recovery and Reinvestment Act and assist the District in raising student achievement and accelerate their reforms in the future.

Title I Improvement The purpose of this federal program is to improve student achievement in Title I schools identified for improvement.

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.

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.

Nonmajor Debt Service Fund

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

Nonmajor Capital Projects Fund

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.

Cleveland
University **Heights**



City School District

Cleveland Heights-University Heights City School District

Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2015

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 980,432	\$ 1,757,991	\$ 3,936,954	\$ 6,675,377
Intergovernmental receivable	682,002	-	-	682,002
Taxes receivable	-	7,813,942	3,502,502	11,316,444
Restricted cash	-	-	4,582,819	4,582,819
Total assets	<u>\$ 1,662,434</u>	<u>\$ 9,571,933</u>	<u>\$ 12,022,275</u>	<u>\$ 23,256,642</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 391,076	\$ -	\$ 91,135	\$ 482,211
Accrued wages and benefits	305,713	-	-	305,713
Interfund payable	356,788	-	-	356,788
Intergovernmental payable	60,303	-	-	60,303
Total liabilities	<u>1,113,880</u>	<u>-</u>	<u>91,135</u>	<u>1,205,015</u>
Deferred inflows of resources:				
Property taxes	-	5,166,168	2,175,244	7,341,412
Unavailable revenue	297,306	1,129,208	553,528	1,980,042
Deferred inflows of resources	<u>297,306</u>	<u>6,295,376</u>	<u>2,728,772</u>	<u>9,321,454</u>
Fund balances:				
Restricted	460,502	3,276,557	9,202,368	12,939,427
Unassigned	(209,254)	-	-	(209,254)
Total fund balances (deficit)	<u>251,248</u>	<u>3,276,557</u>	<u>9,202,368</u>	<u>12,730,173</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,662,434</u>	<u>\$ 9,571,933</u>	<u>\$ 12,022,275</u>	<u>\$ 23,256,642</u>

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

	Nonmajor Special <u>Revenue</u>	Nonmajor Debt <u>Service</u>	Nonmajor Capital <u>Projects</u>	Total Nonmajor Governmental <u>Funds</u>
Revenues:				
Taxes	\$ -	\$ 7,030,211	\$ 3,327,173	\$ 10,357,384
Intergovernmental	7,884,619	504,899	100,980	8,490,498
Grants	36,147	-	-	36,147
Earnings on investments	330	-	181,519	181,849
Extracurricular activities	206,380	-	-	206,380
Miscellaneous	44,545	-	22,000	66,545
Total revenues	<u>8,172,021</u>	<u>7,535,110</u>	<u>3,631,672</u>	<u>19,338,803</u>
Expenditures:				
Current:				
Instruction:				
Regular	660,986	-	-	660,986
Special	2,203,723	-	-	2,203,723
Vocational	247,730	-	-	247,730
Support services:				
Pupil	108,095	-	-	108,095
Instructional staff	1,385,189	-	-	1,385,189
Administration	623,575	-	-	623,575
Fiscal	103,611	123,978	59,982	287,571
Business	18,000	-	-	18,000
Operations and maintenance of plant	22,352	-	376,973	399,325
Pupil transportation	5,318	-	-	5,318
Central	26,445	-	-	26,445
Operation of non-instructional services:				
Community services	2,560,992	-	-	2,560,992
Food service operations	768	-	-	768
Extracurricular activities	474,996	-	-	474,996
Debt services:				
Principal	-	530,000	670,000	1,200,000
Interest and fiscal charges	-	6,317,438	966,541	7,283,979
Total expenditures	<u>8,441,780</u>	<u>6,971,416</u>	<u>2,073,496</u>	<u>17,486,692</u>
Excess of revenues over (under) expenditures	<u>(269,759)</u>	<u>563,694</u>	<u>1,558,176</u>	<u>1,852,111</u>

Continued

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

	Nonmajor Special <u>Revenue</u>	Nonmajor Debt <u>Service</u>	Nonmajor Capital <u>Projects</u>	Total Nonmajor Governmental <u>Funds</u>
Other financing sources (uses):				
Transfers - in	260,031	-	-	260,031
Transfers - out	<u>(76,509)</u>	<u>-</u>	<u>-</u>	<u>(76,509)</u>
Total other financing sources (uses)	<u>183,522</u>	<u>-</u>	<u>-</u>	<u>183,522</u>
Net change in fund balance	(86,237)	563,694	1,558,176	2,035,633
Fund balance (deficit) at beginning of year	<u>337,485</u>	<u>2,712,863</u>	<u>7,644,192</u>	<u>10,694,540</u>
Fund balance (deficit) at end of year	\$ <u>251,248</u>	\$ <u>3,276,557</u>	\$ <u>9,202,368</u>	\$ <u>12,730,173</u>

Cleveland Heights-University Heights City School District

Combining Balance Sheet Nonmajor Special Revenue Funds

June 30, 2015

	<u>Other Grants</u>	<u>District Managed Activity</u>	<u>Auxiliary Services</u>	<u>Public School Preschool Grant</u>
Assets:				
Equity in pooled cash and investments	\$ 99,397	\$ 109,205	\$ 482,460	\$ -
Intergovernmental receivable	-	-	-	16,000
Total assets	<u>\$ 99,397</u>	<u>\$ 109,205</u>	<u>\$ 482,460</u>	<u>\$ 16,000</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 4,375	\$ -	\$ 258,986	\$ -
Accrued wages and benefits	1,417	-	-	-
Interfund payable	-	-	-	-
Intergovernmental payable	751	-	287	620
Total liabilities	<u>6,543</u>	<u>-</u>	<u>259,273</u>	<u>620</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	-	16,000
Fund balances:				
Restricted	92,854	109,205	223,187	-
Unassigned	-	-	-	(620)
Total fund balances (deficit)	<u>92,854</u>	<u>109,205</u>	<u>223,187</u>	<u>(620)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 99,397</u>	<u>\$ 109,205</u>	<u>\$ 482,460</u>	<u>\$ 16,000</u>

<u>Data Communication</u>	<u>Straight A</u>	<u>Alternative School Grant</u>	<u>Miscellaneous State Grants</u>	<u>IDEA (Flo-Thru)</u>	<u>Vocational Education</u>
\$ -	\$ 115,763	\$ -	\$ -	\$ 36,796	\$ -
-	68,437	5,723	-	36,466	-
<u>-</u>	<u>184,200</u>	<u>5,723</u>	<u>-</u>	<u>73,262</u>	<u>-</u>
\$ -	\$ 77,696	\$ -	\$ -	\$ 23,600	\$ -
-	-	5,314	-	42,991	22,043
-	71,000	5,724	-	-	-
-	-	1,990	-	17,713	4,087
<u>-</u>	<u>148,696</u>	<u>13,028</u>	<u>-</u>	<u>84,304</u>	<u>26,130</u>
-	33,654	-	-	14,300	-
-	1,850	-	-	-	-
-	-	(7,305)	-	(25,342)	(26,130)
<u>-</u>	<u>1,850</u>	<u>(7,305)</u>	<u>-</u>	<u>(25,342)</u>	<u>(26,130)</u>
\$ <u>-</u>	\$ <u>184,200</u>	\$ <u>5,723</u>	\$ <u>-</u>	\$ <u>73,262</u>	\$ <u>-</u>

Continued

Cleveland Heights-University Heights City School District

Combining Balance Sheet Nonmajor Special Revenue Funds (continued)

June 30, 2015

	Race to the <u>Top</u>	Title 1 <u>Improvement</u>	<u>Title III</u>	<u>Title I</u>
Assets:				
Equity in pooled cash and investments	\$ 19,429	\$ 1,101	\$ -	\$ 6,114
Intergovernmental receivable	<u>82,400</u>	<u>27,334</u>	<u>1,988</u>	<u>326,742</u>
Total assets	<u>\$ 101,829</u>	<u>\$ 28,435</u>	<u>\$ 1,988</u>	<u>\$ 332,856</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 9,304
Accrued wages and benefits	-	31,029	916	194,293
Interfund payable	100,000	-	64	-
Intergovernmental payable	<u>-</u>	<u>3,834</u>	<u>249</u>	<u>26,382</u>
Total liabilities	<u>100,000</u>	<u>34,863</u>	<u>1,229</u>	<u>229,979</u>
Deferred inflows of resources:				
Unavailable revenue	<u>-</u>	<u>7,546</u>	<u>337</u>	<u>182,870</u>
Fund balances:				
Restricted	1,829	-	422	-
Unassigned	<u>-</u>	<u>(13,974)</u>	<u>-</u>	<u>(79,993)</u>
Total fund balances (deficit)	<u>1,829</u>	<u>(13,974)</u>	<u>422</u>	<u>(79,993)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 101,829</u>	<u>\$ 28,435</u>	<u>\$ 1,988</u>	<u>\$ 332,856</u>

Cleveland Heights-University Heights City School District

Combining Balance Sheet Nonmajor Special Revenue Funds (continued)

June 30, 2015

<u>Preschool Disabilities Grant</u>	<u>Title IIA- Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue</u>
\$ -	\$ 54,805	\$ 55,362	\$ 980,432
<u>-</u>	<u>70,346</u>	<u>46,566</u>	<u>682,002</u>
\$ <u>-</u>	\$ <u>125,151</u>	\$ <u>101,928</u>	\$ <u>1,662,434</u>
\$ -	\$ 5,755	\$ 11,360	\$ 391,076
-	990	6,720	305,713
-	60,000	120,000	356,788
<u>-</u>	<u>2,102</u>	<u>2,288</u>	<u>60,303</u>
<u>-</u>	<u>68,847</u>	<u>140,368</u>	<u>1,113,880</u>
<u>-</u>	<u>25,149</u>	<u>17,450</u>	<u>297,306</u>
-	31,155	-	460,502
<u>-</u>	<u>-</u>	<u>(55,890)</u>	<u>(209,254)</u>
<u>-</u>	<u>31,155</u>	<u>(55,890)</u>	<u>251,248</u>
\$ <u>-</u>	\$ <u>125,151</u>	\$ <u>101,928</u>	\$ <u>1,662,434</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, 2015

	Other Grants	District Managed Activity	Auxiliary Services	Public School Preschool Grant
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,080,860	\$ 88,000
Grants	36,147	-	-	-
Earnings on investments	-	-	330	-
Extracurricular activities	-	206,380	-	-
Miscellaneous	<u>18,509</u>	<u>7,477</u>	<u>419</u>	<u>735</u>
Total revenues	<u>54,656</u>	<u>213,857</u>	<u>2,081,609</u>	<u>88,735</u>
Expenditures:				
Current:				
Instruction:				
Regular	38,617	-	-	91,774
Special	2,600	-	-	-
Vocational	5,583	-	-	-
Support services:				
Pupil	-	685	-	-
Instructional staff	9,252	-	-	-
Administration	23,649	-	-	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance of plant	957	-	-	-
Pupil transportation	-	-	-	-
Central	2,144	-	-	-
Operation of non-instructional services:				
Community services	1,431	-	2,211,604	-
Food service operations	768	-	-	-
Extracurricular activities	<u>-</u>	<u>474,996</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>85,001</u>	<u>475,681</u>	<u>2,211,604</u>	<u>91,774</u>
Excess of revenues over (under) expenditures	<u>(30,345)</u>	<u>(261,824)</u>	<u>(129,995)</u>	<u>(3,039)</u>
Other financing sources (uses):				
Transfers - in	-	260,031	-	-
Transfers - out	<u>(69,018)</u>	<u>(7,491)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(69,018)</u>	<u>252,540</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(99,363)	(9,284)	(129,995)	(3,039)
Fund balance (deficit) at beginning of year	<u>192,217</u>	<u>118,489</u>	<u>353,182</u>	<u>2,419</u>
Fund balance (deficit) at end of year	\$ <u>92,854</u>	\$ <u>109,205</u>	\$ <u>223,187</u>	\$ <u>(620)</u>

<u>Data Communication</u>	<u>Straight A</u>	<u>Alternative School Grant</u>	<u>Miscellaneous State Grants</u>	<u>IDEA (Flo-Thru)</u>	<u>Vocational Education</u>
\$ 18,000	\$ 450,955	\$ 90,969	\$ 21,395	\$ 1,489,914	\$ 265,366
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	308	-	4,312	679
<u>18,000</u>	<u>450,955</u>	<u>91,277</u>	<u>21,395</u>	<u>1,494,226</u>	<u>266,045</u>
-	282,661	41,405	114	-	-
-	-	-	-	902,338	-
-	-	-	-	-	242,147
-	-	43,877	-	63,336	-
-	164,643	-	-	5,587	65,691
-	-	6,710	-	446,998	-
-	-	-	-	32,545	-
18,000	-	-	-	-	-
-	-	-	21,395	-	-
-	-	-	-	-	-
-	1,801	-	-	-	-
-	-	-	-	64,189	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,000</u>	<u>449,105</u>	<u>91,992</u>	<u>21,509</u>	<u>1,514,993</u>	<u>307,838</u>
-	<u>1,850</u>	<u>(715)</u>	<u>(114)</u>	<u>(20,767)</u>	<u>(41,793)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,850	(715)	(114)	(20,767)	(41,793)
-	-	<u>(6,590)</u>	<u>114</u>	<u>(4,575)</u>	<u>15,663</u>
\$ <u>-</u>	\$ <u>1,850</u>	\$ <u>(7,305)</u>	\$ <u>-</u>	\$ <u>(25,342)</u>	\$ <u>(26,130)</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, 2015

	Race to the Top	Title 1 Improvement	Title III	Title I
Revenues:				
Intergovernmental	\$ 250,070	\$ 257,455	\$ 25,335	\$ 2,254,524
Grants	-	-	-	-
Earnings on investments	-	-	-	-
Extracurricular activities	-	-	-	-
Miscellaneous	<u>765</u>	<u>918</u>	<u>58</u>	<u>6,099</u>
Total revenues	<u>250,835</u>	<u>258,373</u>	<u>25,393</u>	<u>2,260,623</u>
Expenditures:				
Current:				
Instruction:				
Regular	39,432	-	-	6,382
Special	-	-	20,735	1,246,370
Vocational	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	152,101	229,832	-	504,667
Administration	-	-	-	90,962
Fiscal	3,558	5,927	548	48,630
Business	-	-	-	-
Operations and maintenance of plant	-	-	-	-
Pupil transportation	-	-	-	1,500
Central	-	-	-	-
Operation of non-instructional services:				
Community services	-	-	1,941	263,642
Food service operations	-	-	-	-
Extracurricular activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>195,091</u>	<u>235,759</u>	<u>23,224</u>	<u>2,162,153</u>
Excess of revenues over (under) expenditures	<u>55,744</u>	<u>22,614</u>	<u>2,169</u>	<u>98,470</u>
Other financing sources (uses):				
Transfers - in	-	-	-	-
Transfers - out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	55,744	22,614	2,169	98,470
Fund balance (deficit) at beginning of year	<u>(53,915)</u>	<u>(36,588)</u>	<u>(1,747)</u>	<u>(178,463)</u>
Fund balance (deficit) at end of year	\$ <u>1,829</u>	\$ <u>(13,974)</u>	\$ <u>422</u>	\$ <u>(79,993)</u>

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, 2015

Preschool Disabilities Grant	Title IIA- Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue
\$ 32,345	\$ 295,103	\$ 264,328	\$ 7,884,619
-	-	-	36,147
-	-	-	330
-	-	-	206,380
<u>114</u>	<u>777</u>	<u>3,375</u>	<u>44,545</u>
<u>32,459</u>	<u>295,880</u>	<u>267,703</u>	<u>8,172,021</u>
-	-	160,601	660,986
31,680	-	-	2,203,723
-	-	-	247,730
-	-	197	108,095
-	245,736	7,680	1,385,189
-	-	55,256	623,575
910	5,510	5,983	103,611
-	-	-	18,000
-	-	-	22,352
-	-	3,818	5,318
-	-	22,500	26,445
-	18,185	-	2,560,992
-	-	-	768
-	-	-	<u>474,996</u>
<u>32,590</u>	<u>269,431</u>	<u>256,035</u>	<u>8,441,780</u>
<u>(131)</u>	<u>26,449</u>	<u>11,668</u>	<u>(269,759)</u>
-	-	-	260,031
-	-	-	<u>(76,509)</u>
-	-	-	<u>183,522</u>
<u>(131)</u>	<u>26,449</u>	<u>11,668</u>	<u>(86,237)</u>
<u>131</u>	<u>4,706</u>	<u>(67,558)</u>	<u>337,485</u>
\$ <u>-</u>	\$ <u>31,155</u>	\$ <u>(55,890)</u>	\$ <u>251,248</u>

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

KIRA WILLIAMS
2nd grade
Gearity Elementary School
.....



CAMRON HOLLOWAY
5th grade
Roxboro Elementary 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 71,368,592	\$ 71,098,602	\$ 68,394,546	\$ (2,704,056)
Intergovernmental	24,153,865	24,153,865	30,620,823	6,466,958
Tuition and fees	4,111,847	4,111,847	5,212,754	1,100,907
Earnings on investments	137,042	137,042	173,734	36,692
Miscellaneous	<u>1,179,035</u>	<u>1,179,035</u>	<u>1,494,709</u>	<u>315,674</u>
Total revenues	<u>100,950,381</u>	<u>100,680,391</u>	<u>105,896,566</u>	<u>5,216,175</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	26,976,339	29,356,076	28,095,260	1,260,816
Employee benefits	9,544,064	10,386,000	10,547,380	(161,380)
Purchased services	1,651,029	1,796,676	1,763,288	33,388
Supplies and materials	1,403,983	1,527,837	1,279,302	248,535
Capital outlay	128,977	140,355	12,419	127,936
Other	<u>119,763</u>	<u>130,328</u>	<u>121,404</u>	<u>8,924</u>
Total regular	<u>39,824,155</u>	<u>43,337,272</u>	<u>41,819,053</u>	<u>1,518,219</u>
Special:				
Salaries and wages	7,957,062	8,659,000	9,097,358	(438,358)
Employee benefits	3,743,745	4,074,000	3,741,672	332,328
Purchased services	404,082	439,728	635,990	(196,262)
Supplies and materials	65,668	71,461	40,149	31,312
Capital outlay	2,497	2,717	527	2,190
Other	<u>42,383</u>	<u>46,122</u>	<u>41,825</u>	<u>4,297</u>
Total special	<u>12,215,437</u>	<u>13,293,028</u>	<u>13,557,521</u>	<u>(264,493)</u>
Vocational:				
Salaries and wages	1,410,566	1,535,000	1,054,894	480,106
Employee benefits	406,170	442,000	358,805	83,195
Purchased services	5,552	6,042	11,397	(5,355)
Supplies and materials	51,557	56,105	52,651	3,454
Capital outlay	50,941	55,435	119,772	(64,337)
Other	<u>7,252</u>	<u>7,891</u>	<u>8,319</u>	<u>(428)</u>
Total vocational	<u>1,932,038</u>	<u>2,102,473</u>	<u>1,605,838</u>	<u>496,635</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other instruction:				
Salaries and wages	322,546	351,000	244,481	106,519
Employee benefits	105,678	115,000	43,434	71,566
Purchased services	7,322,737	7,968,716	8,950,243	(981,527)
Supplies and materials	3,858	4,198	2,133	2,065
Total other instruction	<u>7,754,819</u>	<u>8,438,914</u>	<u>9,240,291</u>	<u>(801,377)</u>
Total instruction	<u>61,726,449</u>	<u>67,171,687</u>	<u>66,222,703</u>	<u>948,984</u>
Support services:				
Pupil:				
Salaries and wages	4,180,239	4,549,000	5,439,076	(890,076)
Employee benefits	1,500,621	1,633,000	1,906,229	(273,229)
Purchased services	387,372	421,544	397,718	23,826
Supplies and materials	124,674	135,673	91,184	44,489
Capital outlay	5,054	5,500	4,752	748
Other	50,445	54,895	29,676	25,219
Total pupil	<u>6,248,405</u>	<u>6,799,612</u>	<u>7,868,635</u>	<u>(1,069,023)</u>
Instructional staff:				
Salaries and wages	1,806,705	1,966,084	2,782,954	(816,870)
Employee benefits	1,006,235	1,095,000	1,098,386	(3,386)
Purchased services	901,372	980,888	232,449	748,439
Supplies and materials	347,804	378,485	355,973	22,512
Capital outlay	482,671	525,250	993,922	(468,672)
Other	79,618	86,641	58,852	27,789
Total instructional staff	<u>4,624,405</u>	<u>5,032,348</u>	<u>5,522,536</u>	<u>(490,188)</u>
Board of education:				
Salaries and wages	19,298	21,000	22,365	(1,365)
Employee benefits	2,757	3,000	4,883	(1,883)
Purchased services	700,090	761,850	646,784	115,066
Supplies and materials	1,057	1,150	366	784
Other	16,081	17,500	18,233	(733)
Total board of education	<u>739,283</u>	<u>804,500</u>	<u>692,631</u>	<u>111,869</u>
Administration:				
Salaries and wages	3,627,067	3,947,032	3,917,644	29,388
Employee benefits	1,966,258	2,139,712	1,823,826	315,886
Purchased services	307,950	335,117	188,986	146,131
Supplies and materials	187,172	203,682	94,376	109,306
Capital outlay	3,584	3,900	500	3,400
Other	80,798	87,925	41,258	46,667
Total administration	<u>6,172,829</u>	<u>6,717,368</u>	<u>6,066,590</u>	<u>650,778</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fiscal:				
Salaries and wages	646,012	703,000	774,397	(71,397)
Employee benefits	410,765	447,000	413,440	33,560
Purchased services	196,438	213,766	159,613	54,153
Supplies and materials	12,300	13,385	6,738	6,647
Capital outlay	39,888	43,407	-	43,407
Other	1,386,828	1,509,168	1,474,647	34,521
Total fiscal	<u>2,692,231</u>	<u>2,929,726</u>	<u>2,828,835</u>	<u>100,891</u>
Business:				
Salaries and wages	234,330	255,000	247,449	7,551
Employee benefits	122,219	133,000	134,613	(1,613)
Purchased services	819,077	891,331	864,282	27,049
Supplies and materials	140,438	152,827	112,340	40,487
Capital outlay	2,297	2,500	-	2,500
Other	433,400	471,633	421,680	49,953
Total business	<u>1,751,761</u>	<u>1,906,291</u>	<u>1,780,364</u>	<u>125,927</u>
Operations and maintenance of plant:				
Salaries and wages	4,562,515	4,965,000	4,988,158	(23,158)
Employee benefits	2,571,181	2,798,000	2,755,704	42,296
Purchased services	3,300,055	3,591,172	3,434,553	156,619
Supplies and materials	740,548	805,876	741,011	64,865
Capital outlay	95,202	103,600	115,770	(12,170)
Other	52,469	57,097	35,747	21,350
Total operations and maintenance of plant	<u>11,321,970</u>	<u>12,320,745</u>	<u>12,070,943</u>	<u>249,802</u>
Pupil transportation:				
Salaries and wages	1,528,190	1,663,000	1,845,000	(182,000)
Employee benefits	754,446	821,000	827,740	(6,740)
Purchased services	1,238,517	1,347,687	1,040,042	307,645
Supplies and materials	625,181	680,331	449,215	231,116
Capital outlay	2,757	3,000	2,072	928
Other	82,149	82,779	9,291	73,488
Total pupil transportation	<u>4,231,240</u>	<u>4,597,797</u>	<u>4,173,360</u>	<u>424,437</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Salaries and wages	1,202,885	1,309,000	1,282,471	26,529
Employee benefits	642,335	699,000	702,335	(3,335)
Purchased services	1,380,193	1,501,948	1,489,787	12,161
Supplies and materials	440,581	479,447	411,432	68,015
Capital outlay	375,230	408,331	249,411	158,920
Other	56,290	61,256	32,814	28,442
Total central	<u>4,097,514</u>	<u>4,458,982</u>	<u>4,168,250</u>	<u>290,732</u>
Total support services	<u>41,879,638</u>	<u>45,567,369</u>	<u>45,172,144</u>	<u>395,225</u>
Operation of non-instructional services:				
Food service operations:				
Salaries and wages	1,838	2,000	376	1,624
Employee benefits	-	-	74	(74)
Total food service operations	<u>1,838</u>	<u>2,000</u>	<u>450</u>	<u>1,550</u>
Community services:				
Salaries and wages	4,595	5,000	5,407	(407)
Employee benefits	1,838	2,000	807	1,193
Purchased services	9,189	10,000	5,250	4,750
Total community services	<u>15,622</u>	<u>17,000</u>	<u>11,464</u>	<u>5,536</u>
Other non-instructional services				
Salaries and wages	-	-	1,514	(1,514)
Fringe benefits	-	-	481	(481)
Total other non-instructional services	<u>-</u>	<u>-</u>	<u>1,995</u>	<u>(1,995)</u>
Total operation of non-instructional services	<u>17,460</u>	<u>19,000</u>	<u>13,909</u>	<u>5,091</u>
Extracurricular activities:				
Academic and subject oriented:				
Salaries and wages	188,383	205,000	204,043	957
Employee benefits	113,029	123,000	41,101	81,899
Purchased services	6,711	7,302	5,572	1,730
Supplies and materials	2,558	2,784	2,494	290
Other	2,458	2,675	2,857	(182)
Total academic and subject oriented	<u>313,139</u>	<u>340,761</u>	<u>256,067</u>	<u>84,694</u>
Occupational oriented:				
Salaries and wages	7,351	8,000	7,014	986
Fringe benefits	919	1,000	1,032	(32)
Purchased services	4,595	5,000	-	5,000
Total occupational oriented	<u>12,865</u>	<u>14,000</u>	<u>8,046</u>	<u>5,954</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Sports oriented:				
Salaries and wages	716,770	780,000	693,868	86,132
Employee benefits	191,139	208,000	172,778	35,222
Purchased services	2,650	2,884	2,818	66
Supplies and materials	5,734	6,240	7,075	(835)
Other	891	970	1,924	(954)
Total sports oriented	<u>917,184</u>	<u>998,094</u>	<u>878,463</u>	<u>119,631</u>
Co-curricular activities:				
Salaries and wages	50,541	55,000	78,330	(23,330)
Employee benefits	20,217	22,000	11,580	10,420
Contractual services	4,338	4,721	3,452	1,269
Other	-	-	35	(35)
Total co-curricular activities	<u>75,096</u>	<u>81,721</u>	<u>93,397</u>	<u>(11,676)</u>
Total extracurricular activities	<u>1,318,284</u>	<u>1,434,576</u>	<u>1,235,973</u>	<u>198,603</u>
Total expenditures	<u>104,941,831</u>	<u>114,192,632</u>	<u>112,644,729</u>	<u>1,547,903</u>
Excess of revenues over (under) expenditures	<u>(3,991,450)</u>	<u>(13,512,241)</u>	<u>(6,748,163)</u>	<u>6,764,078</u>
Other financing sources (uses):				
Proceeds from the sale of capital assets	1,302	1,302	1,650	348
Transfers - in	60,541	60,541	1,403,353	1,342,812
Transfers - out	(8,492,802)	(9,242,001)	(260,031)	8,981,970
Advances - in	1,105,663	1,105,663	1,375,000	269,337
Advances - out	-	-	(1,956,000)	(1,956,000)
Total other financing sources (uses)	<u>(7,325,296)</u>	<u>(8,074,495)</u>	<u>563,972</u>	<u>8,638,467</u>
Net change in fund balance	(11,316,746)	(21,586,736)	(6,184,191)	15,402,545
Fund balance at beginning of year	22,237,866	22,237,866	22,237,866	-
Prior year encumbrances appropriated	<u>2,605,485</u>	<u>2,605,485</u>	<u>2,605,485</u>	-
Fund balance at end of year	\$ <u>13,526,605</u>	\$ <u>3,256,615</u>	\$ <u>18,659,160</u>	\$ <u>15,402,545</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 15,568	\$ 15,568
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased services	-	-	400	(400)
Supplies and materials	15,000	15,000	8,971	6,029
Capital outlay	-	-	16,075	(16,075)
Other	-	-	73	(73)
Total instruction	<u>15,000</u>	<u>15,000</u>	<u>25,519</u>	<u>(10,519)</u>
Support services:				
Pupil:				
Purchased services	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Instructional staff:				
Salaries and wages	39,350	39,350	24,061	15,289
Employee benefits	-	-	3,699	(3,699)
Purchased services	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total instructional staff	<u>49,350</u>	<u>49,350</u>	<u>27,760</u>	<u>21,590</u>
Total support services	<u>54,350</u>	<u>54,350</u>	<u>32,760</u>	<u>21,590</u>
Extracurricular activities:				
Co-curricular activities:				
Purchased services	5,286	5,286	5,286	-
Supplies and materials	250,949	250,949	-	250,949
Other	-	-	11,987	(11,987)
Total extracurricular activities	<u>256,235</u>	<u>256,235</u>	<u>17,273</u>	<u>238,962</u>
Total expenditures	<u>325,585</u>	<u>325,585</u>	<u>75,552</u>	<u>250,033</u>
Excess of revenues over (under) expenditures	<u>(325,585)</u>	<u>(325,585)</u>	<u>(59,984)</u>	<u>265,601</u>
Other financing sources (uses):				
Transfers - out	-	-	(390)	(390)
Net change in fund balance	(325,585)	(325,585)	(60,374)	265,211
Fund balance at beginning of year	167,247	167,247	167,247	-
Prior year encumbrances appropriated	<u>1,235</u>	<u>1,235</u>	<u>1,235</u>	<u>-</u>
Fund balance at end of year	\$ <u>(157,103)</u>	\$ <u>(157,103)</u>	\$ <u>108,108</u>	\$ <u>265,211</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Extracurricular activities	\$ 5,014	\$ 98,300	\$ 74,935	\$ (23,365)
Classroom materials and fees	549	10,769	8,210	(2,559)
Miscellaneous	3,155	61,836	56,294	(5,542)
Total revenues	<u>8,718</u>	<u>170,905</u>	<u>139,439</u>	<u>(31,466)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased services	96	96	22,297	(22,201)
Supplies and materials	-	-	20,900	(20,900)
Capital outlay	-	-	1,094	(1,094)
Other	-	-	1,869	(1,869)
Total regular	<u>96</u>	<u>96</u>	<u>46,160</u>	<u>(46,064)</u>
Special:				
Purchased services	104	104	308	(204)
Supplies and materials	-	-	2,217	(2,217)
Total special	<u>104</u>	<u>104</u>	<u>2,525</u>	<u>(2,421)</u>
Vocational:				
Capital outlay	2,181	2,181	2,181	-
Total instruction	<u>2,381</u>	<u>2,381</u>	<u>50,866</u>	<u>(48,485)</u>
Support services:				
Pupil:				
Purchased services	702	702	25,599	(24,897)
Supplies and materials	253,204	253,204	22,261	230,943
Other	-	-	3,351	(3,351)
Total pupil	<u>253,906</u>	<u>253,906</u>	<u>51,211</u>	<u>202,695</u>
Administration:				
Purchased services	-	-	3,073	(3,073)
Supplies and materials	916	916	12,883	(11,967)
Other	20	20	4,373	(4,353)
Total administration	<u>936</u>	<u>936</u>	<u>20,329</u>	<u>(19,393)</u>
Total support services	<u>254,842</u>	<u>254,842</u>	<u>71,540</u>	<u>183,302</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Extracurricular activities:				
Academic and subject oriented:				
Purchased services	-	-	1,150	(1,150)
Supplies and materials	-	-	5,233	(5,233)
Other	-	-	75	(75)
Total academic and subject oriented	-	-	6,458	(6,458)
Co-curricular activities:				
Purchased services	-	-	1,896	(1,896)
Supplies and materials	331	331	2,491	(2,160)
Other	-	-	2,282	(2,282)
Total co-curricular activities	331	331	6,669	(6,338)
Total extracurricular activities	331	331	13,127	(12,796)
Total expenditures	257,554	257,554	135,533	122,021
Excess of revenues over (under) expenditures	(248,836)	(86,649)	3,906	90,555
Other financing sources (uses):				
Transfers - in	1,280	25,093	9,970	(15,123)
Transfers - out	(2,078)	(2,078)	(2,078)	-
Total other financing sources (uses)	(798)	23,015	7,892	(15,123)
Net change in fund balance	(249,634)	(63,634)	11,798	75,432
Fund balance at beginning of year	188,973	188,973	188,973	-
Prior year encumbrances appropriated	4,631	4,631	4,631	-
Fund balance at end of year	\$ (56,030)	\$ 129,970	\$ 205,402	\$ 75,432

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

Cleveland Heights-University Heights City School District

Building Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Earnings on investment	\$ -	\$ -	\$ 993,965	\$ 993,965
Expenditures:				
Current:				
Instruction:				
Regular education:				
Capital outlay	-	-	35,286	(35,286)
Support services:				
Fiscal:				
Purchased services	-	-	71,406	(71,406)
Operations and maintenance plant:				
Supplies and materials	-	-	1,080	(1,080)
Total support services	-	-	72,486	(72,486)
Facilities acquisition and construction services:				
Architecture and engineering services:				
Purchased services	6,828,760	6,828,760	6,889,324	(60,564)
Other	-	-	101,420	(101,420)
Total architecture and engineering services	6,828,760	6,828,760	6,990,744	(161,984)
Building acquisition and construction services:				
Purchased services	4,118,224	4,118,224	4,280,773	(162,549)
Capital outlay	23,029,688	23,029,688	29,363,107	(6,333,419)
Total building acquisition and construction services	27,147,912	27,147,912	33,643,880	(6,495,968)
Building improvement services:				
Capital outlay	-	-	50,334	(50,334)
Other facilities acquisition and construction services:				
Purchased services	-	-	33,402	(33,402)
Capital outlay	-	-	6,330	(6,330)
Other	-	-	124,234	(124,234)
Total facilities acquisition and construction services	-	-	163,966	(163,966)
Total expenditures	33,976,672	33,976,672	40,956,696	(6,980,024)

Continued

Cleveland Heights-University Heights City School District

Building 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess of revenues over (under) expenditures	<u>(33,976,672)</u>	<u>(33,976,672)</u>	<u>(39,962,731)</u>	<u>(5,986,059)</u>
Net change in fund balance	(33,976,672)	(33,976,672)	(39,962,731)	(5,986,059)
Fund balance at beginning of year	140,604,906	140,604,906	140,604,906	-
Prior year encumbrances appropriated	<u>13,976,673</u>	<u>13,976,673</u>	<u>13,976,673</u>	<u>-</u>
Fund balance at end of year	\$ <u>120,604,907</u>	\$ <u>120,604,907</u>	\$ <u>114,618,848</u>	\$ <u>(5,986,059)</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Grants	\$ -	\$ -	\$ 36,147	\$ 36,147
Miscellaneous	-	-	18,509	18,509
Total revenues	-	-	54,656	54,656
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	37,800	37,800	21,893	15,907
Employee benefits	10,400	10,400	9,446	954
Purchased services	73,189	73,189	975	72,214
Supplies and materials	12,652	12,652	9,552	3,100
Other	6,600	6,600	6,600	-
Total regular	140,641	140,641	48,466	92,175
Special:				
Purchased services	3,500	3,500	3,500	-
Vocational:				
Purchased services	8,855	8,855	-	8,855
Supplies and materials	6,770	6,770	20,473	(13,703)
Capital outlay	15,882	15,882	6,882	9,000
Other	3,030	3,030	3,030	-
Total vocation	34,537	34,537	30,385	4,152
Total instruction	178,678	178,678	82,351	96,327
Support services:				
Pupil:				
Supplies and materials	290	290	-	290
Instructional staff:				
Salaries and wages	-	-	11,305	(11,305)
Employee benefits	-	-	2,013	(2,013)
Purchased services	500	500	934	(434)
Total instructional staff	500	500	14,252	(13,752)
Administration:				
Purchased services	22,288	22,288	23,843	(1,555)
Supplies and materials	440	440	1,818	(1,378)
Other	40	40	160	(120)
Total administration	22,768	22,768	25,821	(3,053)

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operations and maintenance plant:				
Supplies and materials	-	-	957	(957)
Central:				
Purchased services	7,973	7,973	2,050	5,923
Supplies and materials	3,818	3,818	94	3,724
Total central	11,791	11,791	2,144	9,647
Total support services	35,349	35,349	43,174	(7,825)
Operation of non-instructional services:				
Food service operations:				
Supplies and materials	800	800	745	55
Other	89	89	23	66
Total food service operations	889	889	768	121
Community services:				
Purchased services	1,500	1,500	1,500	-
Supplies and materials	-	-	756	(756)
Total community services	1,500	1,500	2,256	(756)
Total operation of non-instruction services	2,389	2,389	3,024	(635)
Total expenditures	216,416	216,416	128,549	87,867
Excess of revenues over (under) expenditures	(216,416)	(216,416)	(73,893)	142,523
Other financing sources (uses):				
Transfers - out	-	-	(69,018)	(69,018)
Net change in fund balance	(216,416)	(216,416)	(142,911)	73,505
Fund balance at beginning of year	180,393	180,393	180,393	-
Prior year encumbrances appropriated	24,416	24,416	24,416	-
Fund balance at end of year	\$ (11,607)	\$ (11,607)	\$ 61,898	\$ 73,505

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Extracurricular activities	\$ 145,253	\$ 180,045	\$ 206,380	\$ 26,335
Miscellaneous	5,256	6,515	7,477	962
Total revenues	<u>150,509</u>	<u>186,560</u>	<u>213,857</u>	<u>27,297</u>
Expenditures:				
Current:				
Support services:				
Pupil:				
Purchased services	-	-	225	(225)
Other	-	-	460	(460)
Total support services	<u>-</u>	<u>-</u>	<u>685</u>	<u>(685)</u>
Extracurricular activities:				
Salaries and wages	-	-	1,317	(1,317)
Purchased services	374,005	374,005	337,442	36,563
Supplies and materials	122,289	122,289	158,039	(35,750)
Capital outlay	24,577	24,577	577	24,000
Other	1,851	1,851	10,555	(8,704)
Total extracurricular activities	<u>522,722</u>	<u>522,722</u>	<u>507,930</u>	<u>14,792</u>
Total expenditures	<u>522,722</u>	<u>522,722</u>	<u>508,615</u>	<u>14,107</u>
Excess of revenues over (under) expenditures	<u>(372,213)</u>	<u>(336,162)</u>	<u>(294,758)</u>	<u>41,404</u>
Other financing sources (uses):				
Transfers - in	183,491	227,441	260,710	33,269
Transfers - out	-	-	(8,170)	(8,170)
Total other financing sources (uses)	<u>183,491</u>	<u>227,441</u>	<u>252,540</u>	<u>25,099</u>
Net change in fund balance	(188,722)	(108,721)	(42,218)	66,503
Fund balance at beginning of year	99,233	99,233	99,233	-
Prior year encumbrances appropriated	<u>22,722</u>	<u>22,722</u>	<u>22,722</u>	-
Fund balance at end of year	\$ <u>(66,767)</u>	\$ <u>13,234</u>	\$ <u>79,737</u>	\$ <u>66,503</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,237,218	\$ 2,268,539	\$ 2,080,860	\$ (187,679)
Earnings on investments	355	360	330	(30)
Miscellaneous	446	452	419	(33)
Total revenues	<u>2,238,019</u>	<u>2,269,351</u>	<u>2,081,609</u>	<u>(187,742)</u>
Expenditures:				
Current:				
Operation of non-instructional services:				
Community services:				
Salaries and wages	12,900	12,900	12,528	372
Employee benefits	2,800	2,800	2,232	568
Purchased services	1,424,988	1,424,988	1,279,780	145,208
Supplies and materials	768,860	765,193	816,593	(51,400)
Capital outlay	309,060	309,060	369,696	(60,636)
Other	51,122	51,122	45,040	6,082
Total expenditures	<u>2,569,730</u>	<u>2,566,063</u>	<u>2,525,869</u>	<u>40,194</u>
Excess of revenues over (under) expenditures	<u>(331,711)</u>	<u>(296,712)</u>	<u>(444,260)</u>	<u>(147,548)</u>
Other financing sources (uses):				
Transfers - in	261,981	265,648	243,671	(21,977)
Transfers - out	<u>(261,981)</u>	<u>(265,648)</u>	<u>(243,671)</u>	<u>21,977</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(331,711)	(296,712)	(444,260)	(147,548)
Fund balance at beginning of year	164,509	164,509	164,509	-
Prior year encumbrances appropriated	<u>279,711</u>	<u>279,711</u>	<u>279,711</u>	<u>-</u>
Fund balance at end of year	\$ <u>112,509</u>	\$ <u>147,508</u>	\$ <u>(40)</u>	\$ <u>(147,548)</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 109,089	\$ 109,089	\$ 88,000	\$ (21,089)
Miscellaneous	911	911	735	(176)
Total revenue	<u>110,000</u>	<u>110,000</u>	<u>88,735</u>	<u>(21,265)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	162,690	162,690	68,165	94,525
Employee benefits	<u>27,310</u>	<u>27,310</u>	<u>26,564</u>	<u>746</u>
Total expenditures	<u>190,000</u>	<u>190,000</u>	<u>94,729</u>	<u>95,271</u>
Excess of revenues over (under) expenditures	<u>(80,000)</u>	<u>(80,000)</u>	<u>(5,994)</u>	<u>74,006</u>
Net change in fund balance	(80,000)	(80,000)	(5,994)	74,006
Fund balance at beginning of year	<u>5,994</u>	<u>5,994</u>	<u>5,994</u>	<u>-</u>
Fund balance at end of year	\$ <u><u>(74,006)</u></u>	\$ <u><u>(74,006)</u></u>	\$ <u><u>-</u></u>	\$ <u><u>74,006</u></u>

Cleveland Heights-University Heights City School District

Data Communication Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 18,000	\$ 18,000	\$ -
Expenditures:				
Current:				
Support services:				
Business:				
Purchased services	-	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

Straight A 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 420,296	\$ 416,172	\$ (4,124)
Expenditures:				
Current:				
Instruction:				
Regular:				
Supplies and materials	81,292	81,292	83,568	(2,276)
Capital outlay	212,616	212,616	212,457	159
Other	1,000	1,000	662	338
Total instruction	<u>294,908</u>	<u>294,908</u>	<u>296,687</u>	<u>(1,779)</u>
Support services:				
Instructional staff:				
Salaries and wages	3,600	3,600	-	3,600
Employee benefits	642	642	-	642
Purchased services	174,934	174,934	171,871	3,063
Supplies and materials	10,419	10,419	8,512	1,907
Capital outlay	5,197	5,197	5,197	-
Other	500	500	542	(42)
Total instructional staff	<u>195,292</u>	<u>195,292</u>	<u>186,122</u>	<u>9,170</u>
Central:				
Purchased services	1,800	1,800	1,801	(1)
Total support services	<u>197,092</u>	<u>197,092</u>	<u>187,923</u>	<u>9,169</u>
Total expenditures	<u>492,000</u>	<u>492,000</u>	<u>484,610</u>	<u>7,390</u>
Excess of revenues over (under) expenditures	<u>(492,000)</u>	<u>(71,704)</u>	<u>(68,438)</u>	<u>3,266</u>
Other financing sources (uses):				
Advances - in	-	71,704	71,000	(704)
Net change in fund balance	(492,000)	-	2,562	2,562
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	\$ <u>(492,000)</u>	\$ <u>-</u>	\$ <u>2,562</u>	\$ <u>2,562</u>

Cleveland Heights-University Heights City School District

Alternative School 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 109,604	\$ 109,604	\$ 85,246	\$ (24,358)
Miscellaneous	396	396	308	(88)
Total revenue	<u>110,000</u>	<u>110,000</u>	<u>85,554</u>	<u>(24,446)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	30,348	39,789	33,228	6,561
Employee benefits	5,339	7,000	6,568	432
Supplies and materials	763	1,000	-	1,000
Other	1,525	2,000	1,465	535
Total instruction	<u>37,975</u>	<u>49,789</u>	<u>41,261</u>	<u>8,528</u>
Support services:				
Pupil:				
Salaries and wages	41,294	54,141	35,544	18,597
Employee benefits	3,863	5,065	7,738	(2,673)
Total pupil	<u>45,157</u>	<u>59,206</u>	<u>43,282</u>	<u>15,924</u>
Administration:				
Salaries and wages	5,362	7,030	5,343	1,687
Employee benefits	1,449	1,900	1,392	508
Total administration	<u>6,811</u>	<u>8,930</u>	<u>6,735</u>	<u>2,195</u>
Pupil transportation:				
Purchased services	57	75	-	75
Total support services	<u>52,025</u>	<u>68,211</u>	<u>50,017</u>	<u>18,194</u>
Total expenditures	<u>90,000</u>	<u>118,000</u>	<u>91,278</u>	<u>26,722</u>
Excess of revenues over (under) expenditures	<u>20,000</u>	<u>(8,000)</u>	<u>(5,724)</u>	<u>2,276</u>
Other financing sources (uses):				
Advances - out	-	-	(30,000)	(30,000)
Net change in fund balance	20,000	(8,000)	(35,724)	(27,724)
Fund balance at beginning of year	30,000	30,000	30,000	-
Fund balance at end of year	\$ <u>50,000</u>	\$ <u>22,000</u>	\$ <u>(5,724)</u>	\$ <u>(27,724)</u>

Cleveland Heights-University Heights City School District

Miscellaneous State Grants Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 21,395	\$ 21,395
Expenditures:				
Current:				
Instruction:				
Regular:				
Supplies and materials	167	167	167	-
Support services:				
Instructional staff:				
Purchased services	-	-	1,595	(1,595)
Supplies and materials	25,500	25,500	19,800	5,700
Total support services	25,500	25,500	21,395	4,105
Total expenditures	25,667	25,667	21,562	4,105
Excess of revenues over (under) expenditures	(25,667)	(25,667)	(167)	25,500
Net change in fund balance	(25,667)	(25,667)	(167)	25,500
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	167	167	167	-
Fund balance at end of year	\$ (25,550)	\$ (25,550)	\$ -	\$ 25,500

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,595,313	\$ 1,764,815	\$ 1,467,748	\$ (297,067)
Miscellaneous revenue	4,687	5,185	4,312	(873)
Total revenue	<u>1,600,000</u>	<u>1,770,000</u>	<u>1,472,060</u>	<u>(297,940)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	464,128	464,128	441,321	22,807
Employee benefits	310,100	310,100	281,969	28,131
Purchased services	53,850	53,850	24,801	29,049
Supplies and materials	49,827	49,827	47,116	2,711
Capital outlay	94,000	94,000	98,871	(4,871)
Other	5,688	5,688	3,944	1,744
Total instruction	<u>977,593</u>	<u>977,593</u>	<u>898,022</u>	<u>79,571</u>
Support services:				
Pupil:				
Salaries and wages	33,645	33,645	58,918	(25,273)
Employee benefits	9,206	9,206	16,811	(7,605)
Supplies and materials	10,488	10,488	3,663	6,825
Other	1,012	1,012	176	836
Total pupil	<u>54,351</u>	<u>54,351</u>	<u>79,568</u>	<u>(25,217)</u>
Instructional staff:				
Purchased services	<u>3,450</u>	<u>3,450</u>	<u>6,032</u>	<u>(2,582)</u>
Administration:				
Salaries and wages	400,581	400,581	304,892	95,689
Employee benefits	187,870	187,870	130,957	56,913
Purchased services	3,135	3,135	4,185	(1,050)
Supplies and materials	9,425	9,425	2,425	7,000
Other	700	700	-	700
Total administration	<u>601,711</u>	<u>601,711</u>	<u>442,459</u>	<u>159,252</u>
Fiscal:				
Other	<u>37,735</u>	<u>37,735</u>	<u>32,545</u>	<u>5,190</u>
Pupil transportation:				
Purchased services	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total support services	<u>700,247</u>	<u>700,247</u>	<u>560,604</u>	<u>139,643</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of non-instructional services:				
Community services:				
Purchased services	133,796	133,796	65,102	68,694
Supplies and materials	1,000	1,000	-	1,000
Total operation of non-instructional services	134,796	134,796	65,102	69,694
Total expenditures	1,812,636	1,812,636	1,523,728	288,908
Excess of revenues over (under) expenditures	(212,636)	(42,636)	(51,668)	(9,032)
Net change in fund balance	(212,636)	(42,636)	(51,668)	(9,032)
Fund balance at beginning of year	29,357	29,357	29,357	-
Prior year encumbrances appropriated	34,636	34,636	34,636	-
Fund balance at end of year	\$ (148,643)	\$ 21,357	\$ 12,325	\$ (9,032)

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 398,979	\$ 398,979	\$ 265,366	\$ (133,613)
Miscellaneous	1,021	1,021	679	(342)
Total revenue	<u>400,000</u>	<u>400,000</u>	<u>266,045</u>	<u>(133,955)</u>
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and wages	193,283	224,946	166,348	58,598
Employee benefits	47,770	55,595	70,596	(15,001)
Capital outlay	3,625	4,219	4,219	-
Total instruction	<u>244,678</u>	<u>284,760</u>	<u>241,163</u>	<u>43,597</u>
Support services:				
Instructional staff:				
Salaries and wages	40,636	47,293	44,570	2,723
Employee benefits	19,906	23,167	19,256	3,911
Total support services	<u>60,542</u>	<u>70,460</u>	<u>63,826</u>	<u>6,634</u>
Total expenditures	<u>305,220</u>	<u>355,220</u>	<u>304,989</u>	<u>50,231</u>
Excess of revenues over (under) expenditures	<u>94,780</u>	<u>44,780</u>	<u>(38,944)</u>	<u>(83,724)</u>
Other financing sources (uses):				
Advances - out	-	-	(65,000)	(65,000)
Net change in fund balance	94,780	44,780	(103,944)	(148,724)
Fund balance at beginning of year	99,723	99,723	99,723	-
Prior year encumbrances appropriated	<u>4,221</u>	<u>4,221</u>	<u>4,221</u>	-
Fund balance at end of year	\$ <u>198,724</u>	\$ <u>148,724</u>	\$ <u>-</u>	\$ <u>(148,724)</u>

Cleveland Heights-University Heights City School District

Race to the Top Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 129,296	\$ 167,670	\$ 38,374
Miscellaneous	-	590	765	175
Total revenue	-	129,886	168,435	38,549
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased services	34,710	34,710	34,537	173
Supplies and materials	9,987	9,987	7,595	2,392
Other	140	140	140	-
Total regular	44,837	44,837	42,272	2,565
Support services:				
Instructional staff:				
Salaries and wages	162,043	162,043	86,972	75,071
Employee benefits	11,336	11,336	12,737	(1,401)
Purchased services	102,200	102,200	100,322	1,878
Supplies and materials	2,545	2,545	1,725	820
Other	4,000	4,000	4,000	-
Total instruction staff	282,124	282,124	205,756	76,368
Fiscal:				
Other	3,869	3,869	3,558	311
Total support services	285,993	285,993	209,314	76,679
Total expenditures	330,830	330,830	251,586	79,244
Excess of revenues over (under) expenditures	(330,830)	(200,944)	(83,151)	117,793
Other financing sources (uses):				
Advances - in	-	77,114	100,000	22,886
Advances - out	-	-	(65,000)	(65,000)
Total other financing sources (uses)	-	77,114	35,000	(42,114)
Net change in fund balance	(330,830)	(123,830)	(48,151)	75,679
Fund balance at beginning of year	10,100	10,100	10,100	-
Prior year encumbrances appropriated	24,330	24,330	24,330	-
Fund balance at end of year	\$ (296,400)	\$ (89,400)	\$ (13,721)	\$ 75,679

Cleveland Heights-University Heights City School District

Title I 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 129,500	\$ 237,667	\$ 108,167
Miscellaneous	-	500	918	418
Total revenue	<u>-</u>	<u>130,000</u>	<u>238,585</u>	<u>108,585</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	48,994	48,994	7,356	41,638
Employee benefits	8,520	8,520	2,908	5,612
Total instruction	<u>57,514</u>	<u>57,514</u>	<u>10,264</u>	<u>47,250</u>
Support services:				
Instructional staff:				
Salaries and wages	178,562	178,562	182,060	(3,498)
Employee benefits	51,840	51,840	63,398	(11,558)
Total instructional staff	<u>230,402</u>	<u>230,402</u>	<u>245,458</u>	<u>(15,056)</u>
Fiscal:				
Other	6,084	6,084	5,927	157
Total support services	<u>236,486</u>	<u>236,486</u>	<u>251,385</u>	<u>(14,899)</u>
Total expenditures	<u>294,000</u>	<u>294,000</u>	<u>261,649</u>	<u>32,351</u>
Excess of revenues over (under) expenditures	<u>(294,000)</u>	<u>(164,000)</u>	<u>(23,064)</u>	<u>140,936</u>
Net change in fund balance	(294,000)	(164,000)	(23,064)	140,936
Fund balance at beginning of year	<u>24,165</u>	<u>24,165</u>	<u>24,165</u>	<u>-</u>
Fund balance at end of year	\$ <u>(269,835)</u>	\$ <u>(139,835)</u>	\$ <u>1,101</u>	\$ <u>140,936</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 29,927	\$ 35,413	\$ 23,684	\$ (11,729)
Miscellaneous	73	87	58	(29)
Total revenue	<u>30,000</u>	<u>35,500</u>	<u>23,742</u>	<u>(11,758)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	15,077	15,077	10,268	4,809
Employee benefits	7,157	7,157	5,227	1,930
Purchased services	4,629	4,629	3,849	780
Supplies and materials	5,623	5,623	604	5,019
Other	253	253	-	253
Total instruction	<u>32,739</u>	<u>32,739</u>	<u>19,948</u>	<u>12,791</u>
Support services:				
Pupil:				
Employee benefits	-	-	7	(7)
Instructional staff:				
Purchased services	250	250	-	250
Fiscal:				
Other:	824	824	548	276
Total support services	<u>1,074</u>	<u>1,074</u>	<u>555</u>	<u>519</u>
Operation of non-instructional services:				
Community services:				
Salaries and wages	1,500	1,500	791	709
Employee benefits	102	102	130	(28)
Purchased services	4,100	4,100	2,591	1,509
Supplies and materials	144	144	-	144
Other	20	20	-	20
Total operation of non-instruction services	<u>5,866</u>	<u>5,866</u>	<u>3,512</u>	<u>2,354</u>
Total expenditures	<u>39,679</u>	<u>39,679</u>	<u>24,015</u>	<u>15,664</u>
Excess of revenues over (under) expenditures	<u>(9,679)</u>	<u>(4,179)</u>	<u>(273)</u>	<u>3,906</u>

Continued

Cleveland Heights-University Heights City School District

Title III 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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Advances - out	-	-	(10,000)	(10,000)
Net change in fund balance	(9,679)	(4,179)	(10,273)	(6,094)
Fund balance at beginning of year	6,243	6,243	6,243	-
Prior year encumbrances appropriated	2,379	2,379	2,379	-
Fund balance at end of year	\$ (1,057)	\$ 4,443	\$ (1,651)	\$ (6,094)

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,692,220	\$ 2,718,146	\$ 2,110,652	\$ (607,494)
Miscellaneous	7,780	7,854	6,099	(1,755)
Total revenue	<u>2,700,000</u>	<u>2,726,000</u>	<u>2,116,751</u>	<u>(609,249)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Supplies and materials	<u>7,382</u>	<u>7,382</u>	<u>6,382</u>	<u>1,000</u>
Special:				
Salaries and wages	1,064,471	1,064,471	870,478	193,993
Employee benefits	454,165	454,165	369,407	84,758
Purchased services	10,735	10,735	12,550	(1,815)
Supplies and materials	58,812	58,812	40,032	18,780
Capital outlay	<u>1,760</u>	<u>1,760</u>	<u>-</u>	<u>1,760</u>
Total special	<u>1,589,943</u>	<u>1,589,943</u>	<u>1,292,467</u>	<u>297,476</u>
Total instruction	<u>1,597,325</u>	<u>1,597,325</u>	<u>1,298,849</u>	<u>298,476</u>
Support services:				
Instructional staff:				
Salaries and wages	445,495	445,495	360,369	85,126
Employee benefits	127,589	127,589	144,296	(16,707)
Purchased services	<u>3,800</u>	<u>3,800</u>	<u>2,684</u>	<u>1,116</u>
Total instructional staff	<u>576,884</u>	<u>576,884</u>	<u>507,349</u>	<u>69,535</u>
Administration:				
Salaries and wages	51,786	51,786	48,609	3,177
Employee benefits	22,268	22,268	11,485	10,783
Purchased services	35,000	35,000	35,000	-
Supplies and materials	160	160	-	160
Other	<u>135</u>	<u>135</u>	<u>-</u>	<u>135</u>
Total administration	<u>109,349</u>	<u>109,349</u>	<u>95,094</u>	<u>14,255</u>
Fiscal:				
Other	<u>54,035</u>	<u>54,035</u>	<u>48,630</u>	<u>5,405</u>
Pupil transportation:				
Purchased services	<u>2,000</u>	<u>2,000</u>	<u>1,500</u>	<u>500</u>
Total support services	<u>742,268</u>	<u>742,268</u>	<u>652,573</u>	<u>89,695</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of non-instructional services:				
Community services:				
Salaries and wages	6,300	6,300	2,598	3,702
Employee benefits	1,100	1,100	378	722
Purchased services	452,057	452,057	324,684	127,373
Supplies and materials	15,865	15,865	17,118	(1,253)
Other	1,535	1,535	549	986
Total operation of non-instructional services	476,857	476,857	345,327	131,530
Total expenditures	2,816,450	2,816,450	2,296,749	519,701
Excess of revenues over (under) expenditures	(116,450)	(90,450)	(179,998)	(89,548)
Net change in fund balance	(116,450)	(90,450)	(179,998)	(89,548)
Fund balance at beginning of year	22,183	22,183	22,183	-
Prior year encumbrances appropriated	81,450	81,450	81,450	-
Fund balance at end of year	\$ (12,817)	\$ 13,183	\$ (76,365)	\$ (89,548)

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 59,789	\$ 59,789	\$ 32,345	\$ (27,444)
Miscellaneous	211	211	114	(97)
Total revenue	<u>60,000</u>	<u>60,000</u>	<u>32,459</u>	<u>(27,541)</u>
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	31,347	31,347	20,687	10,660
Employee benefits	10,442	10,442	11,034	(592)
Supplies and materials	164	164	159	5
Total instruction	<u>41,953</u>	<u>41,953</u>	<u>31,880</u>	<u>10,073</u>
Support services:				
Pupil:				
Salaries and wages	-	-	8,127	(8,127)
Employee benefits	-	-	1,096	(1,096)
Total pupil	<u>-</u>	<u>-</u>	<u>9,223</u>	<u>(9,223)</u>
Fiscal:				
Other	711	711	910	(199)
Total support services	<u>711</u>	<u>711</u>	<u>10,133</u>	<u>(9,422)</u>
Total expenditures	<u>42,664</u>	<u>42,664</u>	<u>42,013</u>	<u>651</u>
Excess of revenues over (under) expenditures	<u>17,336</u>	<u>17,336</u>	<u>(9,554)</u>	<u>(26,890)</u>
Net change in fund balance	17,336	17,336	(9,554)	(26,890)
Fund balance at beginning of year	9,390	9,390	9,390	-
Prior year encumbrances appropriated	<u>164</u>	<u>164</u>	<u>164</u>	<u>-</u>
Fund balance at end of year	\$ <u>26,890</u>	\$ <u>26,890</u>	\$ <u>-</u>	\$ <u>(26,890)</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 225,224	\$ 322,554	\$ 249,906	\$ (72,648)
Miscellaneous	700	1,003	777	(226)
Total revenue	<u>225,924</u>	<u>323,557</u>	<u>250,683</u>	<u>(72,874)</u>
Expenditures:				
Current:				
Support services:				
Instructional staff:				
Salaries and wages	91,436	91,436	82,465	8,971
Employee benefits	15,975	15,975	14,862	1,113
Purchased services	251,921	251,921	201,586	50,335
Supplies and materials	1,400	1,400	768	632
Other	90	90	-	90
Total instructional staff	<u>360,822</u>	<u>360,822</u>	<u>299,681</u>	<u>61,141</u>
Fiscal:				
Other	8,851	8,851	5,510	3,341
Total support services	<u>369,673</u>	<u>369,673</u>	<u>305,191</u>	<u>64,482</u>
Operation of non-instructional services:				
Community services:				
Purchased services	41,434	41,434	23,362	18,072
Other	175	175	175	-
Total operation of non-instructional services	<u>41,609</u>	<u>41,609</u>	<u>23,537</u>	<u>18,072</u>
Total expenditures	<u>411,282</u>	<u>411,282</u>	<u>328,728</u>	<u>82,554</u>
Excess of revenues over (under) expenditures	(185,358)	(87,725)	(78,045)	9,680
Other financing sources (uses):				
Advances - in	<u>54,075</u>	<u>77,444</u>	<u>60,000</u>	<u>(17,444)</u>
Net change in fund balance	(131,283)	(10,281)	(18,045)	(7,764)
Fund balance at beginning of year	4,667	4,667	4,667	-
Prior year encumbrances appropriated	<u>6,982</u>	<u>6,982</u>	<u>6,982</u>	<u>-</u>
Fund balance at end of year	\$ <u>(119,634)</u>	\$ <u>1,368</u>	\$ <u>(6,396)</u>	\$ <u>(7,764)</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 459,157	\$ 459,157	\$ 235,212	\$ (223,945)
Miscellaneous	6,588	6,588	3,375	(3,213)
Total revenue	<u>465,745</u>	<u>465,745</u>	<u>238,587</u>	<u>(227,158)</u>
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	358,970	358,970	90,773	268,197
Employee benefits	31,279	31,279	21,604	9,675
Purchased services	73,343	73,343	60,413	12,930
Supplies and materials	32,092	32,092	25,310	6,782
Capital outlay	11,819	11,819	9,180	2,639
Other	6,675	6,675	5,171	1,504
Total instruction	<u>514,178</u>	<u>514,178</u>	<u>212,451</u>	<u>301,727</u>
Support services:				
Pupil:				
Salaries and wages	-	-	329	(329)
Employee	-	-	51	(51)
Total pupil	<u>-</u>	<u>-</u>	<u>380</u>	<u>(380)</u>
Instructional staff:				
Salaries and wages	2,000	2,000	4,069	(2,069)
Employee benefits	350	350	675	(325)
Purchased services	9,218	9,218	3,516	5,702
Total instructional staff	<u>11,568</u>	<u>11,568</u>	<u>8,260</u>	<u>3,308</u>
Administration:				
Salaries and wages	6,000	6,000	4,812	1,188
Employee benefits	3,000	3,000	888	2,112
Purchased services	53,950	53,950	52,588	1,362
Total administration	<u>62,950</u>	<u>62,950</u>	<u>58,288</u>	<u>4,662</u>
Fiscal:				
Other	<u>8,800</u>	<u>8,800</u>	<u>5,983</u>	<u>2,817</u>
Pupil transportation:				
Purchased services	<u>12,950</u>	<u>12,950</u>	<u>3,818</u>	<u>9,132</u>
Central:				
Purchased services	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total support services	<u>121,268</u>	<u>121,268</u>	<u>101,729</u>	<u>19,539</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of non-instructional services:				
Community services:				
Salaries and wages	32,698	32,698	-	32,698
Employee benefits	5,712	5,712	-	5,712
Purchased services	25,463	25,463	-	25,463
Supplies and materials	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total operation of non-instructional services	<u>65,873</u>	<u>65,873</u>	<u>-</u>	<u>65,873</u>
Total expenditures	<u>701,319</u>	<u>701,319</u>	<u>314,180</u>	<u>387,139</u>
Excess of revenues over (under) expenditures	<u>(235,574)</u>	<u>(235,574)</u>	<u>(75,593)</u>	<u>159,981</u>
Other financing sources (uses):				
Advances - in	234,255	234,255	120,000	(114,255)
Advances - out	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Total other financing sources (uses)	<u>234,255</u>	<u>234,255</u>	<u>20,000</u>	<u>(214,255)</u>
Net change in fund balance	(1,319)	(1,319)	(55,593)	(54,274)
Fund balance at beginning of year	14,379	14,379	14,379	-
Prior year encumbrances appropriated	<u>43,419</u>	<u>43,419</u>	<u>43,419</u>	<u>-</u>
Fund balance at end of year	\$ <u>56,479</u>	\$ <u>56,479</u>	\$ <u>2,205</u>	\$ <u>(54,274)</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 6,726,970	\$ 6,438,628	\$ 6,729,893	\$ 291,265
Intergovernmental	108,893	108,893	504,899	396,006
Total revenues	<u>6,835,863</u>	<u>6,547,521</u>	<u>7,234,792</u>	<u>687,271</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other	<u>-</u>	<u>-</u>	<u>123,978</u>	<u>(123,978)</u>
Debt services:				
Principal	719,910	800,000	530,000	270,000
Interest and fiscal charges	<u>5,572,216</u>	<u>6,192,126</u>	<u>6,317,438</u>	<u>(125,312)</u>
Total debt service	<u>6,292,126</u>	<u>6,992,126</u>	<u>6,847,438</u>	<u>144,688</u>
Total expenditures	<u>6,292,126</u>	<u>6,992,126</u>	<u>6,971,416</u>	<u>20,710</u>
Net change in fund balance	543,737	(444,605)	263,376	707,981
Fund balance at beginning of year	<u>1,494,615</u>	<u>1,494,615</u>	<u>1,494,615</u>	<u>-</u>
Fund balance at end of year	\$ <u>2,038,352</u>	\$ <u>1,050,010</u>	\$ <u>1,757,991</u>	\$ <u>707,981</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 3,334,629	\$ 3,322,214	\$ 3,174,157	\$ (148,057)
Intergovernmental	51,559	51,559	100,980	49,421
Miscellaneous revenue	10,212	10,212	20,000	9,788
Total revenues	<u>3,396,400</u>	<u>3,383,985</u>	<u>3,295,137</u>	<u>(88,848)</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other	<u>1,440,000</u>	<u>1,440,000</u>	<u>59,982</u>	<u>1,380,018</u>
Operations and maintenance of plant:				
Purchased services	234,230	234,230	231,743	2,487
Supplies and materials	79,650	79,650	-	79,650
Capital outlay	435,577	435,577	295,955	139,622
Other	<u>-</u>	<u>-</u>	<u>1,520</u>	<u>(1,520)</u>
Total operations and maintenance of plant	<u>749,457</u>	<u>749,457</u>	<u>529,218</u>	<u>220,239</u>
Debt services:				
Principal	670,000	670,000	670,000	-
Interest and fiscal charges	<u>966,541</u>	<u>966,541</u>	<u>966,541</u>	<u>-</u>
Total debt service	<u>1,636,541</u>	<u>1,636,541</u>	<u>1,636,541</u>	<u>-</u>
Total expenditures	<u>3,825,998</u>	<u>3,825,998</u>	<u>2,225,741</u>	<u>1,600,257</u>
Excess of revenues over (under) expenditures	(429,598)	(442,013)	1,069,396	1,511,409
Other financing sources (uses):				
Proceeds from sale of assets	<u>1,021</u>	<u>1,021</u>	<u>2,000</u>	<u>979</u>
Net change in fund balance	(428,577)	(440,992)	1,071,396	1,512,388
Fund balance at beginning of year	2,465,099	2,465,099	2,465,099	-
Prior year encumbrances appropriated	<u>189,457</u>	<u>189,457</u>	<u>189,457</u>	<u>-</u>
Fund balance at end of year	\$ <u>2,225,979</u>	\$ <u>2,213,564</u>	\$ <u>3,725,952</u>	\$ <u>1,512,388</u>

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Proprietary Funds

Fund Descriptions

June 30, 2015

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 is primarily or solely to the general public be financed or recovered primarily 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 of necessary supplies, materials, or other school related items above these items provided for general instruction, paid for by students.

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

Community Services/Early Childhood This fund is provided for monies received and expended in connection with community recreation programs.

Nonmajor Internal Service Funds

Internal service funds are 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.

Workers' Compensation This fund is used to account for the claims and premiums paid to the State for workers' compensation insurance.

Cleveland Heights-University Heights City School District

Combining Statement of Fund Net Position Nonmajor Enterprise Funds

June 30, 2015

	<u>Food Services</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Community Services/ Early Childhood</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets:					
Current assets:					
Equity in pooled cash and investments	\$ -	\$ 21,414	\$ 1,602	\$ 65,621	\$ 88,637
Accounts receivable	6,050	-	-	-	6,050
Materials and supplies inventories	<u>39,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,707</u>
Total current assets	45,757	21,414	1,602	65,621	134,394
Non-current assets:					
Capital assets, net of depreciation	<u>97,898</u>	<u>-</u>	<u>-</u>	<u>309,791</u>	<u>407,689</u>
Total assets	<u>143,655</u>	<u>21,414</u>	<u>1,602</u>	<u>375,412</u>	<u>542,083</u>
Deferred outflows of resources:					
Pension – SERS	<u>93,977</u>	<u>-</u>	<u>-</u>	<u>84,729</u>	<u>178,706</u>
Liabilities:					
Current liabilities:					
Accounts payable	50,995	-	-	69	51,064
Accrued wages and benefits	13,589	-	-	49,811	63,400
Interfund payable	838,968	-	-	800,000	1,638,968
Intergovernmental payable	15,339	-	-	13,990	29,329
Current portion of accrued compensated absences	<u>4,723</u>	<u>-</u>	<u>-</u>	<u>2,197</u>	<u>6,920</u>
Total current liabilities	923,614	-	-	866,067	1,789,681
Non-current liabilities:					
Net Pension Liability	1,100,236	-	-	991,969	2,092,205
Accrued compensated absences	<u>33,732</u>	<u>-</u>	<u>-</u>	<u>29,197</u>	<u>62,929</u>
Total liabilities	<u>2,057,582</u>	<u>-</u>	<u>-</u>	<u>1,887,233</u>	<u>3,944,815</u>
Deferred inflows of resources:					
Pension – SERS	<u>178,572</u>	<u>-</u>	<u>-</u>	<u>160,999</u>	<u>339,571</u>
Net position:					
Net investment in capital assets	97,898	-	-	309,791	407,689
Unrestricted (deficit)	<u>(2,096,420)</u>	<u>21,414</u>	<u>1,602</u>	<u>(1,897,882)</u>	<u>(3,971,286)</u>
Total net position (deficit)	<u>\$(1,998,522)</u>	<u>\$ 21,414</u>	<u>\$ 1,602</u>	<u>\$(1,588,091)</u>	<u>\$(3,563,597)</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, 2015

	Food Services	Uniform School Supplies	Customer Services	Community Services/ Early Childhood	Total Nonmajor Enterprise Funds
Operating revenues:					
Tuition and fees	\$ -	\$ -	\$ -	\$ 564,440	\$ 564,440
Classroom materials and fees	-	13,402	-	-	13,402
Food services	306,264	-	-	-	306,264
Miscellaneous	<u>17,342</u>	<u>-</u>	<u>12,167</u>	<u>2,116</u>	<u>31,625</u>
Total operating revenues	<u>323,606</u>	<u>13,402</u>	<u>12,167</u>	<u>566,556</u>	<u>915,731</u>
Operating expenses:					
Salaries and wages	669,592	-	-	641,126	1,310,718
Fringe benefits	268,396	-	-	282,870	551,266
Purchased services	1,162,715	1,715	-	20,996	1,185,426
Supplies and materials	154,442	4,822	10,250	25,926	195,440
Depreciation	19,737	-	-	12,679	32,416
Other	<u>1,307</u>	<u>321</u>	<u>315</u>	<u>11,240</u>	<u>13,183</u>
Total operating expenses	<u>2,276,189</u>	<u>6,858</u>	<u>10,565</u>	<u>994,837</u>	<u>3,288,449</u>
Operating (loss) income	<u>(1,952,583)</u>	<u>6,544</u>	<u>1,602</u>	<u>(428,281)</u>	<u>(2,372,718)</u>
Non-operating revenues:					
Federal donated commodities	159,391	-	-	-	159,391
Intergovernmental grants	<u>1,742,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,742,053</u>
Total non-operating revenues	<u>1,901,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,901,444</u>
Net (loss) income before transfers	(51,139)	6,544	1,602	(428,281)	(471,274)
Transfers - out	<u>-</u>	<u>(7,743)</u>	<u>-</u>	<u>-</u>	<u>(7,743)</u>
Net income (loss)	(51,139)	(1,199)	1,602	(428,281)	(479,017)
Net position (deficit) at beginning of year - restated	<u>(1,947,383)</u>	<u>22,613</u>	<u>-</u>	<u>(1,159,810)</u>	<u>(3,084,580)</u>
Net position (deficit) at end of year	\$ <u>(1,998,522)</u>	\$ <u>21,414</u>	\$ <u>1,602</u>	\$ <u>(1,588,091)</u>	\$ <u>(3,563,597)</u>

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2015

	<u>Food Services</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Community Services/ Early Childhood</u>	<u>Total Nonmajor Enterprise Funds</u>
(Decrease) increase in cash and cash equivalents:					
Cash flows from operating activities:					
Cash received from customers	\$ 309,383	\$ 13,402	\$ -	\$ 564,440	\$ 887,225
Cash received from other operating sources	11,292	-	12,167	2,116	25,575
Cash payments for materials and supplies	-	(5,134)	(10,250)	(25,926)	(41,310)
Cash payments for goods and services	(1,166,277)	(1,715)	-	(21,155)	(1,189,147)
Cash payments to employees for services	(667,287)	-	-	(605,462)	(1,272,749)
Cash payments for employee benefits	(301,620)	-	-	(311,252)	(612,872)
Cash payments for other	-	(321)	(315)	(11,240)	(11,876)
Net cash (used for) provided by operating activities	<u>(1,814,509)</u>	<u>6,232</u>	<u>1,602</u>	<u>(408,479)</u>	<u>(2,215,154)</u>
Cash flows from noncapital financing activities:					
Intergovernmental grants received	1,742,053	-	-	-	1,742,053
Transfers - out	-	(7,743)	-	-	(7,743)
Advances - in	822,456	-	-	800,000	1,622,456
Advances - out	<u>(750,000)</u>	<u>-</u>	<u>-</u>	<u>(350,000)</u>	<u>(1,100,000)</u>
Net cash provided by (used for) noncapital financing	<u>1,814,509</u>	<u>(7,743)</u>	<u>-</u>	<u>450,000</u>	<u>2,256,766</u>
Net (decrease) increase in cash and cash equivalents	-	(1,511)	1,602	41,521	41,612
Cash and cash equivalents at beginning of year	<u>-</u>	<u>22,925</u>	<u>-</u>	<u>24,100</u>	<u>47,025</u>
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ 21,414</u>	<u>\$ 1,602</u>	<u>\$ 65,621</u>	<u>\$ 88,637</u>
Non-cash capital and noncapital financing activities:					
Federal donated commodities	\$ 159,391	\$ -	\$ -	\$ -	\$ 159,391

Continued

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows Nonmajor Enterprise Funds (continued)

For the Fiscal Year Ended June 30, 2015

	<u>Food Services</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Community Services/ Early Childhood</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating (loss) income to net cash (used for) provided by operating activities:					
Operating (loss) income	\$ (1,952,583)	\$ 6,544	\$ 1,602	\$ (428,281)	\$ (2,372,718)
Adjustments:					
Depreciation	19,737	-	-	12,679	32,416
Federal donated commodities	159,391	-	-	-	159,391
GASB 68	(20,701)	-	-	(18,664)	(39,365)
Changes in assets/liabilities:					
Increase in accounts receivable	(2,931)	-	-	-	(2,931)
Increase in materials and supplies inventories	(270)	-	-	-	(270)
Increase in inventory held for resale	(4,679)	-	-	-	(4,679)
Decrease in accounts payable	(2,255)	(312)	-	(159)	(2,726)
(Decrease) increase in accrued wages and benefits	(1,393)	-	-	37,298	35,905
Decrease in intergovernmental payable	(12,523)	-	-	(9,718)	(22,241)
Increase (decrease) in accrued compensated absences	<u>3,698</u>	<u>-</u>	<u>-</u>	<u>(1,634)</u>	<u>2,064</u>
Total adjustments	<u>138,074</u>	<u>(312)</u>	<u>-</u>	<u>19,802</u>	<u>157,564</u>
Net cash (used for) provided by operating activities	\$ <u><u>(1,814,509)</u></u>	\$ <u><u>6,232</u></u>	\$ <u><u>1,602</u></u>	\$ <u><u>(408,479)</u></u>	\$ <u><u>(2,215,154)</u></u>

Cleveland Heights-University Heights City School District

Combining Statement of Fund Net Position Nonmajor Internal Service Funds

June 30, 2015

	<u>Self- Insurance</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and investments	\$ 3,542,564	\$ 11,265	\$ 3,553,829
Prepaid items	<u>123,135</u>	<u>-</u>	<u>123,135</u>
Total assets	<u>3,665,699</u>	<u>11,265</u>	<u>3,676,964</u>
Liabilities:			
Current liabilities:			
Accounts payable	3,673	-	3,673
Intergovernmental payable	-	392,006	392,006
Claims payable	<u>1,567,800</u>	<u>-</u>	<u>1,567,800</u>
Total liabilities	<u>1,571,473</u>	<u>392,006</u>	<u>1,963,479</u>
Net position:			
Unrestricted (deficit)	\$ <u>2,094,226</u>	\$ <u>(380,741)</u>	\$ <u>1,713,485</u>

Cleveland Heights-University Heights City School District

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

For the Fiscal Year Ended June 30, 2015

	<u>Self- Insurance</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ <u>16,207,779</u>	\$ <u>-</u>	\$ <u>16,207,779</u>
Operating expenses:			
Fringe benefits	15,618,986	674,003	16,292,989
Purchased services	<u>138,252</u>	<u>24,245</u>	<u>162,497</u>
Total operating expenses	<u>15,757,238</u>	<u>698,248</u>	<u>16,455,486</u>
Net income (loss) before transfers	450,541	(698,248)	(247,707)
Transfers – out	<u>(1,326,603)</u>	<u>-</u>	<u>(1,326,603)</u>
Net loss	(876,062)	(698,248)	(1,574,310)
Net position at beginning of year	<u>2,970,288</u>	<u>317,507</u>	<u>3,287,795</u>
Net position (deficit) at end of year	\$ <u><u>2,094,226</u></u>	\$ <u><u>(380,741)</u></u>	\$ <u><u>1,713,485</u></u>

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows Nonmajor Internal Service Funds

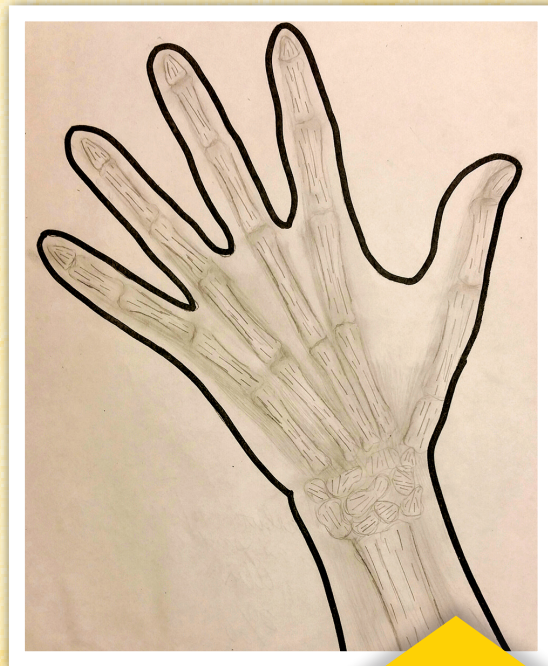
For the Fiscal Year Ended June 30, 2015

	<u>Self- Insurance</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Increase in cash and cash equivalents:			
Cash flows from operating activities:			
Cash received from customers	\$ 16,207,779	\$ -	\$ 16,207,779
Cash payments for goods and services	(1,155,997)	(24,245)	(1,180,242)
Cash payments for claims	<u>(14,354,144)</u>	<u>(663,835)</u>	<u>(15,017,979)</u>
Net cash provided by (used for) operating activities	697,638	(688,080)	9,558
Cash flows from non-capital financing activities:			
Transfers - out	<u>(1,326,603)</u>	<u>-</u>	<u>(1,326,603)</u>
Net decrease in cash and cash equivalents	(628,965)	(688,080)	(1,317,045)
Cash and cash equivalents at beginning of year	<u>4,171,529</u>	<u>699,345</u>	<u>4,870,874</u>
Cash and cash equivalents at end of year	\$ <u>3,542,564</u>	\$ <u>11,265</u>	\$ <u>3,553,829</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 450,541	\$ (698,248)	\$ (247,707)
Adjustments:			
Changes in assets/liabilities:			
Decrease in prepaid items	180	-	180
Decrease in intergovernmental receivable	305,890	-	305,890
Decrease in accounts payable	(1,167)	-	(1,167)
Decrease in accrued wages and benefits	(506)	-	(506)
Increase in intergovernmental payable	-	10,168	10,168
Decrease in claims payable	<u>(57,300)</u>	<u>-</u>	<u>(57,300)</u>
Total adjustments	<u>247,097</u>	<u>10,168</u>	<u>257,265</u>
Net cash provided by (used for) operating activities	\$ <u>697,638</u>	\$ <u>(688,080)</u>	\$ <u>9,558</u>

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



OLIVIA MCKAY
8th grade, Monticello Middle School
.....



ABIGAIL LYNETTE
*7th grade
Monticello Middle School*
.....



Cleveland Heights-University Heights City School District

Food Services Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Food services	\$ 291,801	\$ 421,490	\$ 309,383	\$ (112,107)
Miscellaneous	10,651	15,384	11,292	(4,092)
Intergovernmental	36,745	53,077	38,960	(14,117)
Operating grants	<u>1,606,280</u>	<u>2,320,182</u>	<u>1,703,093</u>	<u>(617,089)</u>
Total revenues	<u>1,945,477</u>	<u>2,810,133</u>	<u>2,062,728</u>	<u>(747,405)</u>
Expenses:				
Food service operations:				
Salaries and wages	-	-	667,287	(667,287)
Fringe benefits	-	-	301,620	(301,620)
Purchased services	4,094,978	4,094,978	1,314,970	2,780,008
Other operating expenses	<u>-</u>	<u>-</u>	<u>1,307</u>	<u>(1,307)</u>
Total expenses	<u>4,094,978</u>	<u>4,094,978</u>	<u>2,285,184</u>	<u>1,809,794</u>
Excess of revenues over (under) expenses	<u>(2,149,501)</u>	<u>(1,284,845)</u>	<u>(222,456)</u>	<u>1,062,389</u>
Other financing sources (uses):				
Advances - in	754,524	1,089,868	800,000	(289,868)
Advances - out	<u>-</u>	<u>-</u>	<u>(750,000)</u>	<u>(750,000)</u>
Total other financing sources (uses)	<u>754,524</u>	<u>1,089,868</u>	<u>50,000</u>	<u>(1,039,868)</u>
Net change in fund equity	(1,394,977)	(194,977)	(172,456)	22,521
Fund equity at beginning of year	(111,490)	(111,490)	(111,490)	-
Prior year encumbrances appropriated	<u>94,978</u>	<u>94,978</u>	<u>94,978</u>	<u>-</u>
Fund equity at end of year	\$ <u>(1,411,489)</u>	\$ <u>(211,489)</u>	\$ <u>(188,968)</u>	\$ <u>22,521</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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Classroom materials and fees	\$ 20,000	\$ 28,001	\$ 13,402	\$ (14,599)
Expenses:				
Purchased services:				
Regular instruction	-	-	192	(192)
Support services - pupil	100	100	715	(615)
Other non-instructional services	1,135	1,135	808	327
Total purchased services	1,235	1,235	1,715	(480)
Supplies and materials:				
Regular instruction	-	-	3,922	(3,922)
Support services - pupil	410	410	1,212	(802)
Other non-instructional services	42,000	42,000	-	42,000
Total supplies and materials	42,410	42,410	5,134	37,276
Other operating expenses:				
Regular instruction	-	-	170	(170)
Support services – pupil	-	-	151	(151)
Total other operating expenses	-	-	321	(321)
Total expenses	43,645	43,645	7,170	36,475
Excess of revenues over (under) expenses	(23,645)	(15,644)	6,232	21,876
Other financing sources (uses):				
Transfers - out	-	-	(7,743)	(7,743)
Net change in fund equity	(23,645)	(15,644)	(1,511)	14,133
Fund equity at beginning of year	21,280	21,280	21,280	-
Prior year encumbrances appropriated	1,645	1,645	1,645	-
Fund equity at end of year	\$ (720)	\$ 7,281	\$ 21,414	\$ 14,133

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ 21,000	\$ 12,167	\$ (8,833)
Expenses:				
Supplies and materials:				
Enterprise operations	23,500	23,500	10,250	13,250
Other operating expenses:				
Enterprise operations	-	-	315	(315)
Total expenses	23,500	23,500	10,565	12,935
Excess of revenues over (under) expenses	(23,500)	(2,500)	1,602	4,102
Net change in fund equity	(23,500)	(2,500)	1,602	4,102
Fund equity at beginning of year	-	-	-	-
Fund equity at end of year	\$ (23,500)	\$ (2,500)	\$ 1,602	\$ 4,102

Cleveland Heights-University Heights City School District

Community Services/Early Childhood Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Tuition and fees	\$ 330,430	\$ 520,428	\$ 564,440	\$ 44,012
Miscellaneous	1,239	1,951	2,116	165
Total revenue	<u>331,669</u>	<u>522,379</u>	<u>566,556</u>	<u>44,177</u>
Expenses:				
Community services:				
Salaries and wages	530,000	530,000	605,462	(75,462)
Fringe benefits	370,000	370,000	311,252	58,748
Purchased services	20,295	20,295	21,187	(892)
Supplies and materials	21,786	21,786	26,587	(4,801)
Other	8,300	8,300	11,243	(2,943)
Total expenses	<u>950,381</u>	<u>950,381</u>	<u>975,731</u>	<u>(25,350)</u>
Excess of revenues over (under) expenses	<u>(618,712)</u>	<u>(428,002)</u>	<u>(409,175)</u>	<u>18,827</u>
Other financing sources (uses):				
Advances - in	468,331	737,621	800,000	62,379
Advances - out	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>118,331</u>	<u>387,621</u>	<u>450,000</u>	<u>62,379</u>
Net change in fund equity	(500,381)	(40,381)	40,825	81,206
Fund equity at beginning of year	23,718	23,718	23,718	-
Prior year encumbrances appropriated	<u>381</u>	<u>381</u>	<u>381</u>	<u>-</u>
Fund equity at end of year	\$ <u>(476,282)</u>	\$ <u>(16,282)</u>	\$ <u>64,924</u>	\$ <u>81,206</u>

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, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 23,500,000	\$ 23,500,000	\$ 16,207,779	\$ (7,292,221)
Expenses:				
Central:				
Fringe benefits	10,799,500	16,100,000	15,370,722	729,278
Purchases services	2,750,500	2,550,000	142,867	2,407,133
Total expenses	13,550,000	18,650,000	15,513,589	3,136,411
Excess of revenues over (under) expenses	9,950,000	4,850,000	694,190	(4,155,810)
Other financing sources (uses):				
Transfers - out	(1,350,000)	(1,350,000)	(1,326,603)	23,397
Net change in fund equity	8,600,000	3,500,000	(632,413)	(4,132,413)
Fund equity at beginning of year	4,171,529	4,171,529	4,171,529	-
Fund equity at end of year	\$ 12,771,529	\$ 7,671,529	\$ 3,539,116	\$ (4,132,413)

Cleveland Heights-University Heights City School District

Workers' Compensation Fund

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

For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenses:				
Support services:				
Central:				
Fringe benefits	\$ 166,964	\$ 425,000	\$ 663,835	\$ (238,835)
Purchased services	<u>108,036</u>	<u>275,000</u>	<u>24,245</u>	<u>250,755</u>
Total expenses	<u>275,000</u>	<u>700,000</u>	<u>688,080</u>	<u>11,920</u>
Net change in fund equity	(275,000)	(700,000)	(688,080)	11,920
Fund equity at beginning of year	<u>699,345</u>	<u>699,345</u>	<u>699,345</u>	<u>-</u>
Fund equity at end of year	\$ <u>424,345</u>	\$ <u>(655)</u>	\$ <u>11,265</u>	\$ <u>11,920</u>

Cleveland Heights-University Heights City School District

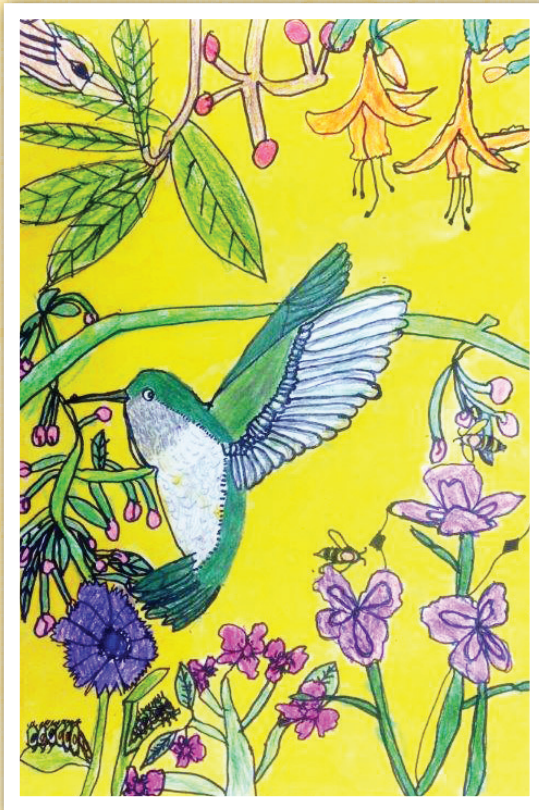
Combining Statement of Changes in Assets and Liabilities – Agency Funds

For the Fiscal Year Ended June 30, 2015

	<u>Balance</u> <u>06/30/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/15</u>
Student activities				
Assets:				
Equity in pooled cash and investments	\$ <u>60,917</u>	\$ <u>46,937</u>	\$ <u>52,844</u>	\$ <u>55,010</u>
Liabilities:				
Due to students	\$ <u>60,917</u>	\$ <u>46,937</u>	\$ <u>52,844</u>	\$ <u>55,010</u>
Tournaments				
Assets:				
Equity in pooled cash and investments	\$ <u>-</u>	\$ <u>2,400</u>	\$ <u>2,400</u>	\$ <u>-</u>
Liabilities:				
Due to others	\$ <u>-</u>	\$ <u>2,400</u>	\$ <u>2,400</u>	\$ <u>-</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ <u>60,917</u>	\$ <u>49,337</u>	\$ <u>55,244</u>	\$ <u>55,010</u>
Liabilities:				
Due to students	60,917	46,937	52,844	55,010
Due to others	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>
Total liabilities	\$ <u>60,917</u>	\$ <u>49,337</u>	\$ <u>55,244</u>	\$ <u>55,010</u>

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

.....



CELIA KUKUK
2nd grade, Canterbury Elementary School

.....



HELENA DUFFY
4th grade, Canterbury Elementary School

.....



**TAYLOR
MARTIN**
*5th grade
Canterbury
Elementary
School*

.....



Cleveland
University **Heights**



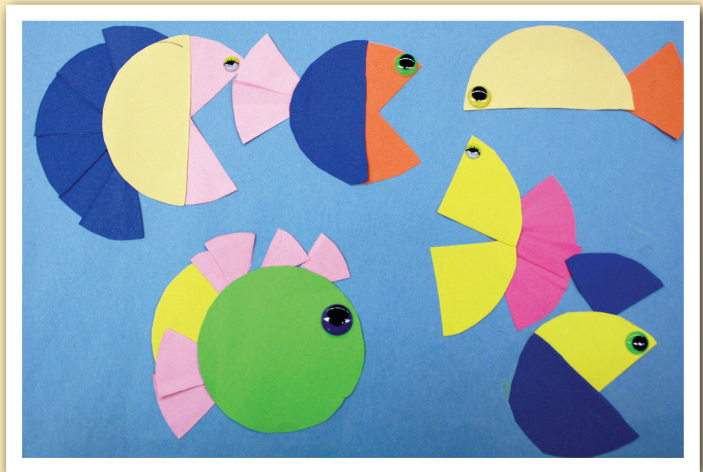
City School District

STATISTICAL SECTION



TYSON HEREFORD
Kindergarten, Gearity Elementary School

.....



SIMONE REID
5th grade, Gearity Elementary School

.....



Cleveland Heights-University Heights City School District

Statistical Section

June 30, 2015

This part of the Cleveland Heights - University Heights City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the 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 comprehensive annual financial reports for the relevant year.

Cleveland Heights-University Heights City School District

Net Position by Component

Last Ten Fiscal Years

Table 1

	2006	2007	2008	2009	2010	2011	2012	2013	Restated 2014	2015
Governmental activities:										
Net investment in capital assets	\$ 22,141,251	\$ 26,323,176	\$ 27,570,443	\$ 30,310,942	\$ 24,153,304	\$ 26,268,632	\$ 27,342,544	28,594,961	\$ 30,541,659	\$ 31,052,012
Restricted for:										
Capital projects	2,859,173	1,427,036	1,927,491	2,467,742	2,568,283	1,481,800	1,220,404	1,858,176	3,749,045	4,939,326
Debt service	574,741	581,198	617,346	657,395	304,922	656,723	756,981	239,222	2,907,465	3,879,732
Other purposes	285,016	4,423	54,665	1,159,654	1,725,730	364,493	461,744	471,046	372,466	328,565
Qualified Zone Academy Bond retirement	3,128,805	3,247,269	3,424,494	3,592,508	3,741,214	3,897,177	4,057,651	4,226,341	4,401,300	4,582,819
Unrestricted	<u>50,813,197</u>	<u>50,779,010</u>	<u>58,669,637</u>	<u>61,051,577</u>	<u>58,524,444</u>	<u>51,903,551</u>	<u>46,627,095</u>	<u>44,601,776</u>	<u>(110,110,600)</u>	<u>(109,538,804)</u>
Total net position - governmental activities	<u>79,802,183</u>	<u>82,362,112</u>	<u>92,264,076</u>	<u>99,239,818</u>	<u>91,017,897</u>	<u>84,572,376</u>	<u>80,466,419</u>	<u>79,991,522</u>	<u>(68,138,665)</u>	<u>(64,756,350)</u>
Business-type activities:										
Net investment in capital assets	754,143	721,008	687,993	655,529	572,056	533,397	505,491	472,519	440,105	407,689
Unrestricted (deficit)	<u>(1,194,310)</u>	<u>(2,320,676)</u>	<u>(4,039,596)</u>	<u>(4,205,298)</u>	<u>(5,220,860)</u>	<u>(8,139,020)</u>	<u>(9,642,747)</u>	<u>(12,609,793)</u>	<u>(3,524,685)</u>	<u>(3,971,286)</u>
Total net position - business-type activities	<u>(440,167)</u>	<u>(1,599,668)</u>	<u>(3,351,603)</u>	<u>(3,549,769)</u>	<u>(4,648,804)</u>	<u>(7,605,623)</u>	<u>(9,137,256)</u>	<u>(12,137,274)</u>	<u>(3,084,580)</u>	<u>(3,563,597)</u>
Primary government:										
Net investment in capital assets	22,895,394	27,044,184	28,258,436	30,966,471	24,725,360	26,802,029	27,848,035	29,067,480	30,981,764	31,459,701
Restricted for:										
Capital projects	2,859,173	1,427,036	1,927,491	2,467,742	2,568,283	1,481,800	1,220,404	1,858,176	3,749,045	4,939,326
Debt service	574,741	581,198	617,346	657,395	304,922	656,723	756,981	239,222	2,907,465	3,879,732
Other purposes	285,016	4,423	54,665	1,159,654	1,725,730	364,493	461,744	471,046	372,466	328,565
Qualified zone academy bond retirement	3,128,805	3,247,269	3,424,494	3,592,508	3,741,214	3,897,177	4,057,651	4,226,341	4,401,300	4,582,819
Unrestricted	<u>49,618,887</u>	<u>48,458,334</u>	<u>54,630,041</u>	<u>56,846,279</u>	<u>53,303,584</u>	<u>43,764,531</u>	<u>36,984,348</u>	<u>31,991,983</u>	<u>(113,635,285)</u>	<u>(113,510,090)</u>
Total net position - primary government	<u>\$ 79,362,016</u>	<u>\$ 80,762,444</u>	<u>\$ 88,912,473</u>	<u>\$ 95,690,049</u>	<u>\$ 86,369,093</u>	<u>\$ 76,966,753</u>	<u>\$ 71,329,163</u>	<u>\$ 67,854,248</u>	<u>\$ (71,223,245)</u>	<u>\$ (68,319,947)</u>

Source: School District financial records

Cleveland Heights-University Heights City School District

Changes in Net Position

Last Ten Fiscal Years

Table 2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental activities:										
Regular instruction	\$ 35,341,336	\$ 35,895,404	\$ 36,794,327	\$ 35,816,557	\$ 37,442,211	\$ 41,334,122	\$ 40,951,163	\$ 43,005,293	\$ 41,223,022	\$ 41,960,022
Special instruction	8,573,448	9,844,902	9,531,722	10,463,382	12,357,959	13,830,108	12,947,396	12,536,158	15,496,883	15,630,864
Vocational instruction	1,662,594	1,701,696	1,738,386	2,033,266	1,917,084	2,075,152	2,306,559	1,988,214	2,199,170	1,729,582
Adult/continuing instruction	145,191	270,336	981,637	620,287	233,715	346,356	335,150	258,202	46	214,853
Other instruction	3,405,263	2,728,650	3,152,431	4,018,831	4,424,806	5,341,468	7,154,104	8,257,928	8,817,024	8,653,671
Pupil	9,436,509	9,342,399	8,713,755	8,651,483	9,001,406	8,922,133	9,891,614	9,412,636	7,674,501	7,861,619
Instructional staff	4,469,078	5,271,776	6,024,296	6,464,766	5,149,498	6,158,641	6,445,138	8,004,270	5,838,505	6,740,256
Board of education	530,377	484,231	545,385	460,684	482,582	590,673	586,707	584,645	702,812	660,086
Administration	6,167,949	6,281,020	7,041,253	6,557,021	6,183,059	5,963,161	6,110,464	5,922,772	8,077,153	6,651,527
Fiscal	2,019,423	2,177,550	2,077,340	2,185,544	3,028,623	2,441,386	2,573,478	2,980,897	2,920,898	3,198,752
Business	2,307,448	2,299,809	1,881,251	1,533,645	1,344,500	1,583,775	1,552,317	556,890	1,748,679	1,536,059
Operation and maintenance of plant	11,451,826	10,444,810	11,149,385	11,392,037	11,722,180	12,471,455	12,510,123	12,391,012	13,286,205	13,177,175
Pupil transportation	3,498,625	3,909,255	4,265,255	4,269,391	4,550,353	4,499,491	5,302,386	4,616,743	4,168,805	4,081,598
Central	2,976,522	2,874,077	2,825,873	3,318,696	3,522,237	3,766,198	5,429,990	4,452,855	3,966,623	4,044,855
Food service operations	-	-	-	-	5,776	5,485	2,981	15,636	20,162	6,458
Community services	1,920,647	2,467,145	2,065,415	2,664,776	2,215,880	2,538,766	1,958,644	2,100,792	2,255,657	2,579,166
Shared services	-	-	-	-	-	-	-	-	5,149	-
Other operation of non-instructional services	-	-	-	-	-	-	117,942	120,356	926	2,081
Extracurricular activities	1,157,041	1,524,317	1,612,459	1,641,907	1,478,856	1,618,758	1,769,909	1,955,860	2,157,104	1,734,080
Interest and fiscal charges	570,050	673,878	713,571	736,771	525,075	519,722	461,235	299,445	3,776,729	7,507,361
Total governmental activities expenses	<u>95,633,327</u>	<u>98,191,255</u>	<u>101,113,741</u>	<u>102,829,044</u>	<u>105,585,800</u>	<u>114,006,850</u>	<u>118,407,300</u>	<u>119,460,604</u>	<u>124,336,053</u>	<u>127,970,065</u>
Business-type activities:										
Food services	2,112,230	2,248,241	2,599,332	2,352,105	2,354,293	2,310,751	2,434,896	2,507,990	2,442,610	2,276,189
Uniform school supplies	75,620	65,933	92,805	61,717	74,610	31,350	31,824	21,260	31,744	6,858
Customer services	9,112	12,347	15,811	10,805	20,356	9,385	-	34,212	-	10,565
Community services/early childhood	821,651	739,277	616,929	635,218	731,703	746,880	743,185	770,293	821,397	994,837
Bellefaire General Rotary	2,827,708	2,892,502	2,954,725	3,169,419	3,395,010	3,459,420	3,189,684	3,114,669	2,355	-
Total business-type activities expenses	<u>5,846,321</u>	<u>5,958,300</u>	<u>6,279,602</u>	<u>6,229,264</u>	<u>6,575,972</u>	<u>6,557,786</u>	<u>6,399,589</u>	<u>6,448,424</u>	<u>3,298,106</u>	<u>3,288,449</u>
Total primary government expenses	<u>101,479,648</u>	<u>104,149,555</u>	<u>107,393,343</u>	<u>109,058,308</u>	<u>112,161,772</u>	<u>120,564,636</u>	<u>124,806,889</u>	<u>125,909,028</u>	<u>127,634,159</u>	<u>131,258,514</u>

Continued

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years Table 2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program revenues:										
Governmental activities:										
Charges for services:										
Regular instruction	526,747	263,099	293,408	340,704	304,805	343,243	157,440	1,974,958	2,033,784	1,865,301
Special instruction	3,595,546	3,252,614	2,376,298	2,583,786	1,596,975	3,917,868	2,833,543	2,814,090	3,048,640	869,807
Vocational instruction	136,066	6,482	11,122	4,500	2,500	-	-	402,269	241,934	79,112
Adult/continuing instruction	6,825	9,397	5,465	3,474	930	-	-	-	-	-
Administration	62,689	10,847	10,075	6,644	13,196	30,575	132,968	26,345	59,783	195,163
Pupil transportation	93,487	75,075	138,450	134,264	183,378	121,733	205,743	25,097	26,165	13,298
Extracurricular activities	44,292	92,616	100,420	91,070	95,025	59,767	115,175	155,691	102,970	111,836
Operating grants and contributions:										
Regular instruction	2,420,203	4,843,017	4,001,706	3,976,497	861,906	1,842,682	623,151	1,483,338	1,275,340	795,124
Special instruction	1,801,912	1,698,848	1,810,241	4,057,069	6,880,495	5,590,342	5,259,112	4,268,212	4,164,420	3,439,308
Vocational instruction	247,590	276,976	265,483	282,167	288,776	293,148	194,247	328,861	302,953	265,366
Adult/continuing instruction	-	290,714	245,318	343,219	269,869	444,629	537,124	432,062	99,484	-
Pupil	-	249,832	173,942	190,688	93,679	93,459	112,257	90,267	107,986	103,246
Instructional staff	-	3,300	12,970	12,970	-	-	-	-	-	-
Administration	-	21,633	-	-	-	-	-	-	-	-
Operation and maintenance of plant	77,993	29,821	-	-	-	-	-	-	-	-
Central	64,400	42,000	-	185	-	-	-	-	-	-
Community services	1,883,275	1,932,606	1,962,731	2,023,367	1,914,708	1,562,377	1,784,599	1,851,027	1,932,315	2,080,860
Capital grants and contributions:										
Pupil	-	-	43,132	-	-	-	-	-	-	-
Operation and maintenance of plant	30,000	46,513	19,577	36,294	-	-	-	-	-	20,000
Central	-	-	42,000	36,000	-	27,300	-	-	-	-
Total governmental activities	10,991,025	13,145,390	11,512,338	14,122,898	12,506,242	14,327,123	11,955,359	13,852,217	13,395,774	9,838,421

Continued

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years Table 2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-type activities:										
Charges for services:										
Food services	732,621	650,639	584,762	543,076	484,176	405,888	384,300	359,057	331,037	323,606
Uniform school supplies	73,253	60,424	65,986	63,943	48,737	30,361	27,468	23,825	28,907	13,402
Customer services	35,038	3,359	2,240	17,980	18,430	1,000	-	11,890	11,890	12,167
Community services/early childhood	784,388	617,183	606,389	695,690	687,621	720,938	620,621	647,205	662,846	566,556
Bellefleur General Rotary	1,861,111	2,007,314	1,538,587	2,727,969	2,515,584	611,951	2,222,430	283,102	683,844	-
Operating grants and contributions:										
Food services	2,104,689	1,457,295	1,584,727	1,632,068	1,804,716	1,661,511	1,613,137	2,123,327	1,868,291	1,901,444
Capital grants and contributions:					116,347	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-	-	-
Total business-type activities	-	-	-	-	116,347	-	-	-	-	-
Program revenues	5,591,100	4,796,214	4,382,691	5,680,726	5,675,611	3,431,649	4,867,956	3,448,406	3,586,815	2,817,175
Total primary government program revenues	16,582,125	17,941,604	15,895,029	19,803,624	18,181,853	17,758,772	16,823,315	17,300,623	16,982,589	12,655,596
Net expense:										
Governmental activities	(84,642,302)	(85,045,865)	(89,601,403)	(88,706,146)	(93,079,558)	(99,679,727)	(106,451,941)	(105,608,387)	(110,940,279)	(118,131,644)
Business-type activities	(255,221)	(1,162,086)	(1,896,911)	(548,538)	(900,361)	(3,126,137)	(1,531,633)	(3,000,018)	288,709	(471,274)
Total primary government net expense	(84,897,523)	(86,207,951)	(91,498,314)	(89,254,684)	(93,979,919)	(102,805,864)	(107,983,574)	(108,608,405)	(110,651,570)	(118,602,918)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for:										
General purpose	76,288,318	57,086,358	66,578,842	62,320,929	55,807,544	57,099,411	65,982,589	69,354,404	74,045,127	73,060,036
Debt service	535,005	741,683	648,181	622,174	590,518	604,768	671,452	631,509	5,746,485	7,141,001
Capital projects	4,455,425	3,131,163	3,235,694	3,068,044	2,708,377	2,748,213	3,087,683	3,059,156	3,394,926	3,374,548
Payments in lieu of property taxes	-	-	178,090	17,774	1,813	-	-	-	-	-
Grants and entitlements not restricted to specific programs	26,687,865	23,469,550	25,907,434	27,656,292	32,788,606	31,992,845	31,837,748	30,580,845	31,506,047	34,527,008
Investment earnings	1,432,840	2,322,959	1,900,552	1,200,992	489,176	306,230	273,286	230,870	504,723	1,756,112
Miscellaneous	955,098	856,666	1,199,550	1,146,055	1,116,647	652,057	493,226	1,276,706	1,044,771	1,647,511
Transfers	3,000	(2,585)	(144,976)	(350,372)	-	(169,318)	-	-	(11,056,420)	7,743
Total governmental activities	110,357,551	87,605,794	99,503,367	95,681,888	93,502,681	93,234,206	102,345,984	105,133,490	105,185,659	121,513,959

Continued

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years Table 2

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-type activities:										
Transfers	(3,000)	2,585	144,976	350,372	-	169,318	-	-	11,056,420	(7,743)
Total primary government general revenues and other changes in net position	<u>110,354,551</u>	<u>87,608,379</u>	<u>99,648,343</u>	<u>96,032,260</u>	<u>93,502,681</u>	<u>93,403,524</u>	<u>102,345,984</u>	<u>105,133,490</u>	<u>116,242,079</u>	<u>121,506,216</u>
Change in net position:										
Governmental activities	25,715,249	2,559,929	9,901,964	6,975,742	423,123	(6,445,521)	(4,105,957)	(474,897)	(5,754,620)	3,382,315
Business-type activities	(258,221)	(1,159,501)	(1,751,935)	(198,166)	(900,361)	(2,956,819)	(1,531,633)	(3,000,018)	11,345,129	(479,017)
Total primary government change in net position	<u>\$ 25,457,028</u>	<u>\$ 1,400,428</u>	<u>\$ 8,150,029</u>	<u>\$ 6,777,576</u>	<u>\$ (477,238)</u>	<u>\$ (9,402,340)</u>	<u>\$ (5,637,590)</u>	<u>\$ (3,474,915)</u>	<u>\$ 5,590,509</u>	<u>\$ 2,903,298</u>

Source: School District financial records.

Cleveland Heights-University Heights City School District

Program Revenues by Function/Program

Last Ten Fiscal Years Table 3

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
Regular instruction	\$ 2,946,950	\$ 5,106,116	\$ 4,295,114	\$ 4,317,201	\$ 1,166,711	\$ 2,185,925	\$ 780,591	\$ 3,458,296	\$ 3,309,124	\$ 2,660,425
Special instruction	5,397,458	4,951,462	4,186,539	6,640,855	8,477,470	9,508,210	8,092,655	7,082,302	7,213,060	4,309,115
Vocational instruction	383,656	283,458	276,605	286,667	291,276	293,148	194,247	731,130	544,887	344,478
Adult/continuing instruction	6,825	300,111	250,783	346,693	270,799	444,629	537,124	432,062	99,484	-
Pupil	-	249,832	217,074	190,688	93,679	93,459	112,257	90,267	107,986	103,246
Instructional staff	-	3,300	12,970	12,970	-	-	-	-	-	-
Administration	62,689	32,480	10,075	6,644	13,196	30,575	132,968	26,345	59,783	195,163
Operation and maintenance of plant	107,993	76,334	19,577	36,294	-	-	-	-	-	20,000
Pupil transportation	93,487	75,075	138,450	134,264	183,378	121,733	205,743	25,097	26,165	13,298
Central	64,400	42,000	42,000	36,185	-	27,300	-	-	-	-
Community services	1,883,275	1,932,606	1,962,731	2,023,367	1,914,708	1,562,377	1,784,599	1,851,027	1,932,315	2,080,860
Extracurricular activities	44,292	92,616	100,420	91,070	95,025	59,767	115,175	155,691	102,970	111,836
Total governmental activities	<u>10,991,025</u>	<u>13,145,390</u>	<u>11,512,338</u>	<u>14,122,898</u>	<u>12,506,242</u>	<u>14,327,123</u>	<u>11,955,359</u>	<u>13,852,217</u>	<u>13,395,774</u>	<u>9,838,421</u>
Business-type activities:										
Food services	2,837,310	2,107,934	2,169,489	2,175,144	2,405,239	2,067,399	1,997,437	2,482,384	2,199,328	2,225,050
Uniform school supplies	73,253	60,424	65,986	63,943	48,737	30,361	27,468	23,825	28,907	13,402
Customer services	35,038	3,359	2,240	17,980	18,430	1,000	-	11,890	11,890	12,167
Community services/early childhood	784,388	617,183	606,389	695,690	687,621	720,938	620,621	647,205	662,846	566,556
Bellefaire General Rotary	1,861,111	2,007,314	1,538,587	2,727,969	2,515,584	611,951	2,222,430	283,102	683,844	-
Total business-type activities	<u>5,591,100</u>	<u>4,796,214</u>	<u>4,382,691</u>	<u>5,680,726</u>	<u>5,675,611</u>	<u>3,431,649</u>	<u>4,867,956</u>	<u>3,448,406</u>	<u>3,586,815</u>	<u>2,817,175</u>
Total primary government program revenues	<u>\$ 16,582,125</u>	<u>\$ 17,941,604</u>	<u>\$ 15,895,029</u>	<u>\$ 19,803,624</u>	<u>\$ 18,181,853</u>	<u>\$ 17,758,772</u>	<u>\$ 16,823,315</u>	<u>\$ 17,300,623</u>	<u>\$ 16,982,589</u>	<u>\$ 12,655,596</u>

Source: School District financial records.

Cleveland Heights-University Heights City School District

Fund Balances, Governmental Funds

Last Ten Fiscal Years Table 4

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 377,185	\$ 388,565	\$ 421,946	\$ 485,956	\$ 400,634
Restricted	-	-	-	-	-	2,425,675	-	-	-	-
Committed	-	-	-	-	-	-	16,583	169,433	-	249,020
Assigned	-	-	-	-	-	1,587,479	3,008,658	2,855,580	10,942,612	20,777,177
Unassigned	-	-	-	-	-	49,220,502	42,156,930	39,137,025	19,296,525	9,241,633
Reserved	31,484,977	28,287,616	33,065,009	29,045,094	20,559,439	-	-	-	-	-
Unreserved	21,350,110	27,784,974	31,865,555	37,282,074	40,721,484	-	-	-	-	-
Total general fund	52,835,087	56,072,590	64,930,564	66,327,168	61,280,923	53,610,841	45,570,736	42,583,984	30,725,093	30,668,464
All other governmental funds:										
Restricted	-	-	-	-	-	6,242,013	6,146,770	6,472,636	164,189,868	145,242,640
Unassigned	-	-	-	-	-	(1,358,259)	(1,014,561)	(691,665)	(349,436)	(209,254)
Reserved	4,704,397	2,959,452	2,968,533	3,589,646	2,782,844	-	-	-	-	-
Unreserved, undesignated	-	-	-	-	-	-	-	-	-	-
reported in:										
Special revenue funds	648,244	(719,527)	(144,420)	(325,719)	10,070	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	2,415,169	2,957,383	3,430,357	3,641,857	3,912,946	-	-	-	-	-
Total all other governmental funds	7,767,810	5,197,308	6,254,470	6,905,784	6,705,860	4,883,754	5,132,209	5,780,971	163,840,432	145,033,386
Total governmental funds	\$ 60,602,897	\$ 61,269,898	\$ 71,185,034	\$ 73,232,952	\$ 67,986,783	\$ 58,494,595	\$ 50,702,945	\$ 48,364,955	\$ 194,565,525	\$ 175,701,850

Source: School District financial records.
 Note: The District implemented GASB 54 in 2011.

Cleveland Heights-University Heights City School District

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years **Table 5**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Taxes	\$ 80,068,149	\$ 62,525,139	\$ 70,309,309	\$ 65,374,496	\$ 58,111,449	\$ 59,741,780	\$ 67,893,727	\$ 72,593,187	\$ 81,019,869	\$ 82,427,691
Payments in lieu of property taxes	-	-	85,089	110,775	1,813	-	-	-	-	-
Intergovernmental	35,994,845	35,909,507	37,665,113	38,219,178	42,481,847	45,195,019	41,721,066	39,293,275	39,705,007	38,533,550
Grants	-	-	-	-	-	-	-	-	-	36,147
Tuition and fees	563,807	1,691,244	718,184	1,084,330	1,132,778	919,510	2,103,521	4,261,340	5,205,135	5,212,754
Earnings on investments	1,432,840	2,322,959	1,900,552	1,200,992	489,176	306,230	229,786	269,926	383,159	1,743,978
Extracurricular activities	187,545	221,068	225,465	243,331	247,153	193,720	214,197	249,403	328,105	281,315
Classroom materials and fees	21,612	31,683	26,783	36,870	21,525	7,769	6,628	9,899	10,983	8,210
Miscellaneous	1,522,733	1,078,839	1,840,138	1,805,193	1,758,554	909,544	590,072	1,288,159	925,607	1,713,082
Total revenues	119,791,531	103,780,439	112,770,633	108,075,165	104,244,295	107,273,572	112,758,997	117,965,189	127,577,865	129,956,727
Expenditures:										
Current:										
Instruction:										
Regular	34,573,204	36,216,029	36,489,302	35,617,232	37,438,613	40,644,644	41,711,646	41,694,037	41,252,792	42,780,196
Special	8,604,906	9,727,158	9,575,382	10,458,889	12,350,826	13,869,106	12,871,556	12,550,247	15,446,175	15,640,475
Vocational	1,670,809	1,681,895	1,718,541	2,006,303	1,917,949	2,133,784	2,253,201	2,025,443	2,202,132	1,790,287
Adult/continuing	147,662	263,554	1,019,433	1,097,166	243,510	351,808	359,859	258,355	42	214,853
Other instruction	3,404,613	2,728,650	3,152,431	3,552,064	4,424,310	5,341,468	7,119,352	8,260,680	8,852,295	8,661,935
Support services:										
Pupil	9,460,564	9,397,066	8,718,866	8,728,926	9,040,268	9,059,801	9,710,922	9,471,275	7,779,443	7,819,662
Instructional staff	4,416,605	5,175,284	5,992,632	6,445,317	7,798,200	5,929,177	5,744,220	7,360,021	5,579,026	6,655,202
Board of education	530,377	484,231	545,385	460,684	482,582	590,673	586,707	584,645	702,812	660,818
Administration	6,124,940	6,245,179	7,091,960	6,640,220	6,172,891	6,231,154	6,069,379	5,921,173	8,002,595	6,666,267
Fiscal	2,050,644	2,186,609	2,076,801	2,185,469	3,029,193	2,441,153	2,577,403	2,992,173	2,898,090	3,199,810
Business	2,300,101	2,271,198	2,249,394	1,539,458	1,367,110	1,867,829	1,418,638	486,832	1,620,092	1,419,952
Operation and maintenance of plant	11,076,485	10,230,156	10,331,539	11,521,381	13,204,102	13,667,124	13,738,248	13,995,828	13,982,246	11,709,772
Pupil transportation	3,347,240	3,753,311	4,080,869	4,199,497	4,461,495	4,660,456	4,956,598	4,319,901	3,866,048	3,878,073
Central	2,982,146	2,861,101	2,926,115	3,619,618	3,727,743	3,786,451	5,419,739	4,421,726	3,929,804	4,065,836
Operations of non-instructional services:										
Food service	-	-	-	-	5,776	5,446	2,981	15,636	24,779	1,119
Community services	1,828,088	2,359,941	1,965,639	2,528,283	2,126,328	2,356,186	1,965,327	2,146,012	2,241,565	2,572,447
Shared services	-	-	-	-	-	-	-	-	5,149	-
Other	94,520	96,664	105,715	115,736	120,946	123,112	117,942	120,356	926	2,081
Extracurricular activities	1,131,599	1,526,574	1,518,699	1,591,867	1,482,333	1,586,270	1,731,341	1,940,700	2,132,543	1,733,151
Facilities acquisition and construction services	4,268,101	4,132,268	2,091,645	1,809,386	-	-	-	-	3,209,965	22,081,669
Debt service:										
Principal	930,000	1,097,667	1,147,357	1,493,387	2,193,347	1,815,920	1,721,314	1,497,177	1,225,155	1,307,703
Interest and fiscal charges	571,259	676,318	709,119	744,720	503,908	532,226	474,274	328,040	1,661,324	7,293,440
Bond issuance costs	-	-	-	-	-	-	-	124,721	1,224,233	-
Total expenditures	99,513,863	103,110,853	103,506,824	106,355,603	112,091,430	116,993,788	120,550,647	120,514,978	127,839,231	150,154,748

Continued

Cleveland Heights-University Heights City School District

Changes in Fund Balances, Governmental Funds (continued)

Last Ten Fiscal Years **Table 5**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Excess of revenues over (under) expenditures	20,277,668	669,586	9,263,809	1,719,562	(7,847,135)	(9,720,216)	(7,791,650)	(2,549,789)	(261,366)	(20,198,021)
Other financing sources (uses):										
Inception of capital leases	-	-	796,303	678,728	2,600,966	397,346	-	87,077	88,483	-
General obligation Bonds issued	-	-	-	-	-	-	-	-	134,799,915	-
Refunding bonds issued	-	-	-	-	-	-	-	6,750,000	-	-
Premium on bonds issued	-	-	-	-	-	-	-	199,722	1,659,731	-
Certificates of participation issued	-	-	-	-	-	-	-	-	21,000,000	-
Discount on certificates of participation issued	-	-	-	-	-	-	-	-	(29,773)	-
Transfers-in	997,692	1,339,411	1,383,323	2,077,014	570,000	1,303,351	914,388	625,321	805,350	1,670,886
Refund of prior year expenditures	71,786	-	-	-	-	-	-	-	-	-
Transfers-out	(994,692)	(1,341,996)	(1,528,299)	(2,427,386)	(570,000)	(1,472,669)	(914,388)	(625,321)	(11,861,770)	(336,540)
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	(6,825,000)	-	-
Refund of prior year receipts	(80,646)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(5,860)	(2,585)	651,327	328,356	2,600,966	228,028	-	211,799	146,461,936	1,334,346
Net change in fund balances	\$ 20,271,808	\$ 667,001	\$ 9,915,136	\$ 2,047,918	\$ (5,246,169)	\$ (9,492,188)	\$ (7,791,650)	\$ (2,337,990)	\$ 146,200,570	\$ (18,863,675)
Debt service as a percentage of noncapital expenditures	1.51%	1.79%	1.83%	2.16%	2.52%	2.07%	1.86%	1.55%	2.36%	6.72%

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

Year	Real Property		Public Utility Personal Property		Tangible 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		
2006	\$ 1,068,833,330	\$ 3,053,809,514	\$ 27,878,630	\$ 31,680,261	\$ 23,111,301	\$ 100,483,917	\$ 1,119,823,261	\$ 3,185,973,692	\$ 129.50	35.0%
2007	1,218,353,600	3,481,010,286	17,706,520	20,121,046	11,791,553	94,332,424	1,247,851,673	3,595,463,756	129.60	34.7
2008	1,230,715,140	3,516,328,971	11,548,270	13,123,034	9,140,242	73,121,936	1,251,403,652	3,675,695,877	136.70	34.7
2009	1,217,296,300	3,477,989,429	12,095,890	13,745,330	4,791,945	76,671,120	1,234,184,135	3,568,405,879	136.70	34.6
2010	1,131,890,150	3,233,971,857	12,905,470	14,665,307	-	-	1,144,795,620	3,248,637,167	136.80	35.2
2011	1,133,384,720	3,238,242,057	13,289,430	15,101,625	-	-	1,146,674,150	3,253,343,682	136.80	35.2
2012	1,120,618,240	3,201,766,400	13,770,650	15,648,466	-	-	1,134,388,890	3,217,414,866	143.70	35.3
2013	1,068,405,140	3,052,586,114	15,110,130	17,170,602	-	-	1,083,515,270	3,069,756,716	143.70	35.3
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

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.

Tangible personal property is assessed at 23 percent of actual value for 1999 through 2006; 12.5 percent of actual value for 2007; 6.25 percent of actual value for 2008, 0 percent of actual value for 2009.

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 2015 and Fiscal Year 2006

Table 7

Name of Taxpayer	December 31, 2014 (1)	
	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric Illuminating Co.	\$ 12,577,190	1.19%
Kaiser Foundation Health Plan of Ohio	11,348,150	1.07%
Severance SPE Lease Co, LLC	9,711,730	0.92%
Inland Cedar Center South, LLC	6,212,210	0.59%
University Heights Holdings 4, LLC	5,443,380	0.51%
FISE, LLC	5,124,640	0.48%
Severance SPC Lease Co, LLC	4,466,180	0.42%
East Ohio Gas Co.	3,345,740	0.32%
Cedar Center North, LLC	3,178,740	0.30%
ARC Cleveland Heights, LLC	2,724,580	0.26%
Total	\$ 64,132,540	6.06%

Name of Taxpayer	December 31, 2005 (2)	
	Assessed Value (2)	Percent of Total Assessed Value
Severance SPC Lease Co, LLC	\$ 16,113,310	1.51%
Inland Western University	12,004,480	1.12%
The May Department Stores Co.	8,538,110	0.80%
Kaiser Foundation Health Plan of Ohio	8,407,390	0.79%
University Square	7,861,180	0.74%
Target corp.	5,804,650	0.54%
John Carroll University	4,049,570	0.38%
Kensington LTD Partnership	3,795,960	0.36%
Severance SPE Feeeco, LLC	2,691,580	0.25%
Concord Company	2,366,530	0.22%
Total	\$ 71,632,760	6.71%

Source: Cuyahoga County Fiscal Officer

(1) Assessed values are for the 2015 collection year.

(2) Assessed values are for the 2006 collection year.

Cleveland Heights-University Heights City School District

Property Tax Rates – Direct and Overlapping Governments

Last Ten Years Table 8

<u>Tax Year</u>	<u>School Levy</u>	<u>County Levy</u>	<u>City Levy</u>	<u>Metro</u>		<u>Library Levy</u>	<u>Tri-C Levy</u>	<u>Cleveland Port Authority</u>		<u>Debt Service Included in Total Levy</u>		
				<u>Parks Levy</u>	<u>Levy</u>			<u>Levy</u>	<u>Levy</u>	<u>School</u>	<u>County</u>	<u>City</u>
2005/2006	\$ 129.50	\$ 13.52	\$ 13.00	\$ 1.85	\$ 5.90	\$ 2.80	\$ 0.13	\$ 166.70	\$ 3.80	\$ 0.71	\$ 6.48	\$ 10.99
2006/2007	129.60	13.42	13.00	1.85	5.90	2.80	0.13	166.70	3.80	0.74	6.48	11.02
2007/2008	136.70 ⁽¹⁾	13.42	12.90	1.85	5.90	2.80	0.13	173.70	3.80	0.74	6.48	11.02
2008/2009	136.70 ⁽¹⁾	13.32	12.90	1.85	7.80	2.80	0.13	175.50	3.80	0.74	6.48	11.02
2009/2010	136.80 ⁽²⁾	13.32	12.90	1.85	7.80	2.80	0.13	175.60	3.80	0.74	6.48	11.02
2010/2011	136.80 ⁽²⁾	13.32	12.90	1.85	7.80	2.80	0.13	175.60	3.80	0.74	6.48	11.02
2011/2012	143.70 ⁽³⁾	13.22	12.90	1.85	7.80	3.10	0.13	182.70	0.70	0.85	2.90	4.45
2012/2013	143.70 ⁽³⁾	13.22	13.00	1.85	7.80	3.10	0.13	182.80	0.70	0.85	3.00	4.55
2013/2014	149.59 ⁽⁴⁾	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 ⁽⁴⁾	14.05	13.92	2.75	10.00	4.00	0.13	194.44	6.59	0.85	2.65	10.09

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 \$132.20 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$.7 in the Bond Retirement Fund.

(2) District's direct rate is comprised of \$132.30 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$.7 in the Bond Retirement Fund.

(3) District's direct rate is comprised of \$139.20 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$.7 in the Bond Retirement Fund.

(4) 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.

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
2004/2005	\$ 73,180,871	\$ 6,317,749	\$ 79,498,620	\$ 69,220,320	94.58%	\$ 4,081,167	\$ 73,301,487	92.20%
2005/2006	72,118,959	6,209,258	78,328,217	68,342,993	94.76	3,433,220	71,776,214	91.64
2006/2007	80,279,737	6,829,786	87,109,523	69,488,916	86.56	4,198,730	73,687,646	84.59
2007/2008	79,306,636	6,986,422	86,293,058	73,681,014	92.91	4,122,635	77,803,649	90.16
2008/2009	78,224,800	6,840,923	85,065,723	72,761,558	93.02	3,556,037	76,317,595	89.72
2009/2010	77,544,197	7,955,876	85,500,073	70,779,938	91.28	3,834,324	74,614,262	87.27
2010/2011	77,532,166	8,729,765	86,261,931	70,108,742	90.43	3,494,985	73,603,727	85.33
2011/2012	85,035,680	10,219,590	95,255,270	78,252,617	92.02	4,012,461	82,265,078	86.36
2012/2013	84,009,574	11,665,988	95,675,562	77,585,448	92.35	3,779,198	81,364,646	85.04
2013/2014	90,585,706	12,775,749	103,361,455	83,479,091	92.15	4,636,048	88,115,139	85.25

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, 2014

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	\$ 168,643,118	100.00%	\$ 168,643,118
Total direct	<u>168,643,118</u>		<u>168,643,118</u>
Overlapping:			
City of Cleveland Heights	16,726,000	94.76	15,849,919
City of South Euclid	21,449,218	7.52	1,612,265
City of University Heights	2,055,000	100.00	2,055,000
Cuyahoga County	262,275,000	3.88	10,171,092
Regional Transit Authority	102,840,000	3.88	3,988,162
Total overlapping	<u>405,345,218</u>		<u>33,676,438</u>
Grand total	\$ <u>573,988,336</u>		\$ <u>202,319,556</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 2015 collection year.

Cleveland Heights-University Heights City School District

Computation of Legal Debt Margin

	2006 ⁽²⁾	2007 ⁽²⁾	2008 ⁽²⁾	2009 ⁽²⁾	2010	2011	2012	2013	2014	2015
Assessed valuation	\$ 1,079,491,310	\$ 1,229,566,760	\$ 1,242,263,410	\$ 1,226,213,160	\$ 1,144,795,620	\$ 1,146,674,150	\$ 1,134,388,890	\$ 1,083,515,270	\$ 1,084,761,490	\$ 1,075,510,410
Debt limit - 9% of assessed value	\$ 97,154,218	\$ 110,661,008	\$ 111,803,707	\$ 110,359,184	\$ 103,031,606	\$ 103,200,674	\$ 102,095,000	\$ 97,516,374	\$ 97,628,534	\$ 96,795,937
Amount of debt applicable to debt limit:										
General obligation bonds	13,694,990	12,856,619	12,009,871	11,170,000	10,295,000	9,390,000	8,455,000	7,596,407	141,144,915	140,948,900
Exempt debt	-	-	-	-	-	-	-	-	(40,803,518)	(40,876,406)
Total	13,694,990	12,856,619	12,009,871	11,170,000	10,295,000	9,390,000	8,455,000	7,596,407	100,341,397	100,072,494
Less: amount available in debt service funds	(574,741)	(581,198)	(626,363)	(634,411)	(289,163)	(619,703)	(683,128)	(162,985)	(2,712,863)	(3,276,557)
Amount of debt subject to the limit	13,120,249	12,275,421	11,383,508	10,535,589	10,005,837	8,770,297	7,771,872	7,433,422	97,628,534	96,795,937
Overall debt margin	\$ 84,033,969	\$ 98,385,587	\$ 100,420,199	\$ 99,823,595	\$ 93,025,769	\$ 94,430,377	\$ 94,323,128	\$ 90,082,952	\$ -	\$ -
Debt margin - .10% of assessed value (1)	\$ 1,079,491	\$ 1,229,567	\$ 1,242,263	\$ 1,226,213	\$ 1,144,796	\$ 1,146,674	\$ 1,134,389	\$ 1,083,515	\$ 1,084,761	\$ 1,075,510
Amount of debt applicable	-	-	-	-	-	-	-	-	-	-
Unvoted debt margin	\$ 1,079,491	\$ 1,229,567	\$ 1,242,263	\$ 1,226,213	\$ 1,144,796	\$ 1,146,674	\$ 1,134,389	\$ 1,083,515	\$ 1,084,761	\$ 1,075,510
Total net debt applicable to the limit as a percentage of debt limit	13.50%	11.09%	10.18%	9.55%	9.71%	8.50%	7.61%	7.62%	100%	100%

Source: Cuyahoga County Fiscal Officer and School District financial records

- (1) Ohio Bond law sets an overall limit of 9% for total debt and 1/10 of 1% for unvoted debt.
- (2) Assessed Valuation does not equal the assessed value in Table 6 due to General Tangible Personal Property Values no longer being included in calculation of legal debt margin.

Cleveland Heights-University Heights City School District

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

Last Ten Fiscal Years Table 12

Year	Governmental Activities										Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Accrued Interest on CABs	Certificates of Participation	Energy Conservation Notes	Capital Leases	Qualified Zone Academy Bonds							
2006	\$ 8,524,990	\$ -	\$ -	\$ 5,170,000	\$ 514,173	\$ 5,500,000	\$ 19,709,163	1.50%	\$ 303.61				
2007	8,371,619	-	-	4,485,000	254,877	5,500,000	18,611,496	1.42	286.71				
2008	8,219,871	-	-	3,790,000	750,571	5,500,000	18,260,442	1.39	281.30				
2009	8,085,000	-	-	3,085,000	775,783	5,500,000	17,445,783	1.33	268.75				
2010	7,790,000	-	-	2,505,000	2,058,402	5,500,000	17,853,402	1.36	299.25				
2011	7,480,000	-	-	1,910,000	1,544,828	5,500,000	16,434,828	1.18	275.47				
2012	7,160,000	-	-	1,295,000	758,514	5,500,000	14,713,514	1.05	246.62				
2013	6,936,407	-	-	660,000	318,414	5,500,000	13,414,821	0.96	224.85				
2014	142,955,899	62,516	20,970,227	-	246,742	5,500,000	169,735,384	12.16	2,845.04				
2015	142,368,907	333,985	20,301,187	-	139,039	5,500,000	168,643,118	12.08	2,826.74				

Source: School District financial records

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

<u>Fiscal Year</u>	<u>Gross General Bonded Debt⁽¹⁾</u>	<u>Less Debt Service Funds</u>	<u>Net General Bonded Debt</u>	<u>Estimated Actual Value⁽²⁾</u>	<u>Population⁽³⁾</u>	<u>Ratio of Net Debt to Estimated Actual Value</u>	<u>Debt Per Capita</u>
2005/2006	\$ 13,694,990	\$ 574,741	\$ 13,120,249	\$ 3,185,973,692	64,915	0.41%	\$ 202
2006/2007	12,856,619	581,198	12,275,421	3,595,463,756	64,915	0.34	189
2007/2008	12,009,871	626,363	11,383,508	3,602,573,941	64,915	0.32	175
2008/2009	11,170,000	634,411	10,535,589	3,568,405,879	64,915	0.30	162
2009/2010	10,295,000	289,163	10,005,837	3,248,637,164	59,660	0.31	168
2010/2011	9,390,000	619,703	8,770,297	3,253,343,682	59,660	0.27	147
2011/2012	8,455,000	683,128	7,771,872	3,217,414,866	59,660	0.24	130
2012/2013	7,596,407	162,985	7,433,422	3,069,756,716	59,660	0.24	125
2013/2014	142,955,899	2,712,863	140,243,036	3,070,884,491	59,660	4.57	2,351
2014/2015	142,368,907	3,276,557	139,092,350	3,042,741,845	59,660	4.57	2,331

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 Hts. Median Family Income(1)	University Hts. Median Family Income(1)	Total Personal Income(1)	Total Personal Per Capita
2006	1,393,978	50,769	14,146	6,235	5.30%	\$ 58,028	\$ 75,424	\$ 1,310,043,276	\$ 20,181
2007	1,393,978	50,769	14,146	6,058	5.20	58,028	75,424	1,310,043,276	20,181
2008	1,393,978	50,769	14,146	5,767	7.10	58,028	75,424	1,310,043,276	20,181
2009	1,393,978	50,769	14,146	5,915	8.60	58,028	75,424	1,310,043,276	20,181
2010	1,280,122	46,121	13,539	5,832	9.70	49,056	74,759	1,310,043,276	21,958
2011	1,280,122	46,121	13,539	5,870	8.80	49,056	74,759	1,395,621,460	23,393
2012	1,280,122	46,121	13,539	5,763	6.90	49,056	74,759	1,395,621,460	23,393
2013	1,280,122	46,121	13,539	5,301	8.00	49,056	74,759	1,395,621,460	23,393
2014	1,280,122	46,121	13,539	5,693	7.90	49,056	74,759	1,395,621,460	23,393
2015	1,280,122	46,121	13,539	5,393	6.70	49,056	74,759	1,395,621,460	23,393

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 2006 and Fiscal Year 2015

Table 15

Employer	December 31, 2005		December 31, 2014	
	Number of Employees	Percentage of Total	Employer	Number of Employees
Cleveland Heights-University Heights Board of Education	1,164	27.65%	John Carroll University	2,291
Cleveland Heights City Hall	921	21.88	Cleveland Heights-University Heights Board of Education	985
John Carroll University	585	13.90	Bellefaire Jewish Children's Bureau	464
Wal Mart	300	7.13	City of Cleveland Heights	449
Kaiser Permanente	300	7.13	Target Corporation	382
Heinen's	200	4.75	Macy's Retail Holdings	336
Kauffman's	200	4.75	Cuyahoga County Fiscal Office	305
Target	200	4.75	Whole Foods Market Group, Inc.	220
Tops	190	4.51	Heinen's, Inc.	179
Home Depot	150	3.55	Toyota on the Heights	150
Total	4,210	100.00%	Total	5,761
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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	283	283	392	398	338	340	332	296	304	325
Regular Instruction Teachers	13	13	25	23	21	24	22	24	24	24
Special Instruction Teachers	6	4	6	5	4	5	3	5	5	5
Canterbury Elementary School										
Constructed in 1927										
Total Building Square Footage	65,800	65,800	65,800	65,800	65,800	65,800	65,800	65,800	65,800	65,800
Enrollment Grades K-5	384	383	401	395	391	391	354	374	380	345
Regular Instruction Teachers	18	20	23	23	23	26	24	25	25	24
Special Instruction Teachers	6	4	2	4	4	5	5	5	5	5
Bellefaire School										
Constructed in 1928										
Total Building Square Footage	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Enrollment Grades K-5	-	-	-	85	87	70	76	71	-	-
Regular Instruction Teachers	-	-	-	6	7	10	9	8	-	-
Special Instruction Teachers	-	-	-	13	15	15	13	12	-	-
Coventry Elementary School										
Constructed in 1975										
Total Building Square Footage	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200
Enrollment Grades K-5	357	319	-	-	-	-	-	-	-	-
Regular Instruction Teachers	15	17	-	-	-	-	-	-	-	-
Special Instruction Teachers	7	6	-	-	-	-	-	-	-	-
Fairfax Elementary School										
Constructed in 1975										
Total Building Square Footage	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000
Enrollment Grades K-5	392	402	430	412	409	412	386	392	299	334
Regular Instruction Teachers	18	20	25	23	24	27	26	26	22	24
Special Instruction Teachers	14	8	6	6	6	6	6	6	5	5
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	216	238	287	289	297	297	360	338	365	268
Regular Instruction Teachers	12	13	16	17	18	22	20	24	24	24
Special Instruction Teachers	7	10	8	10	10	12	11	10	10	5
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	421	426	425	406	401	401	424	423	381	421
Regular Instruction Teachers	20	21	24	23	23	26	24	30	30	30
Special Instruction Teachers	6	6	5	5	4	4	4	7	7	7
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	116	100
Regular Instruction Teachers	-	-	-	-	-	-	-	11	11	10
Special Instruction Teachers	-	-	-	-	-	-	-	1	1	1
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	367	362	351	360	357	358	325	340	328	294
Regular Instruction Teachers	19	21	22	23	23	25	23	25	25	24
Special Instruction Teachers	5	6	4	3	3	3	3	4	4	4

Continued

Cleveland Heights-University Heights City School District

Building Statistics by Function/Program (continued)

Last Nine Fiscal Years

Table 16

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
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	326	329	330	335	338	338	410	408	404	423
Regular Instruction Teachers	15	18	19	20	22	23	23	29	29	29
Special Instruction Teachers	7	4	6	5	4	5	4	3	3	4
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	524	504	486	468	455	462	367	400	400	597
Regular Instruction Teachers	36	33	34	30	34	36	34	31	31	37
Special Instruction Teachers	10	8	8	7	10	11	10	9	9	11
Roxboro Middle School										
Constructed in 1931										
Total Building Square Footage	113,380	113,380	113,380	113,380	113,380	113,380	113,380	113,380	113,380	113,380
Enrollment Grades 6-8	552	550	508	523	527	534	517	436	487	645
Regular Instruction Teachers	36	37	36	35	42	44	41	39	39	41
Special Instruction Teachers	12	10	10	8	9	9	9	9	9	9
Wiley Middle School										
Constructed in 1954										
Total Building Square Footage	133,127	133,127	133,127	133,127	133,127	133,127	133,127	133,127	133,127	133,127
Enrollment Grades 6-8	470	439	405	412	423	425	387	403	402	-
Regular Instruction Teachers	34	34	33	30	33	35	35	30	30	-
Special Instruction Teachers	11	9	9	8	8	8	8	8	8	-
Cleveland Heights High School										
Constructed in 1925										
Total Building Square Footage	395,400	395,400	395,400	395,400	395,400	395,400	395,400	395,400	395,400	395,400
Enrollment Grades 9-12	1,943	1,823	1,752	1,832	1,809	1,842	1,828	1,400	1,254	1,522
Regular Instruction Teachers	113	115	96	92	108	112	115	110	113	113
Special Instruction Teachers	51	50	38	40	25	27	24	24	25	25

Source: School District's appraisal reports and personnel records

Information prior to 2006 not available.

Cleveland Heights-University Heights School District

Per Pupil Cost

Last Ten Fiscal Years Table 17

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Student Enrollment (2)</u>	<u>Per Pupil Cost</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>	<u>Percentage of Students who Receive Free or Reduced Lunch (3)</u>
2006	\$ 83,685,378	6,235	\$ 13,422	8.20%	491	12.70	51.09%
2007	85,208,087	6,058	14,065	4.79	484	12.52	55.22
2008	88,720,072	5,767	15,384	9.38	455	12.67	53.16
2009	91,499,897	5,915	15,469	0.55	459	12.89	54.77
2010	94,323,087	5,832	16,173	4.55	480	12.15	50.22
2011	98,849,032	5,870	16,840	4.12	520	11.29	59.60
2012	107,508,894	5,763	18,655	10.78	607	9.49	59.26
2013	107,118,276	5,301	20,207	8.32	531	9.98	56.50
2014	122,006,030	5,693	21,431	6.06	513	11.10	63.71
2015	110,738,646	5,393	20,534	(4.19)	583	9.25	67.72

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.

Cleveland Heights-University Heights School District

Teacher Education and Experience

Table 18

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Degree</u>										
Bachelor's Degree	106	107	102	94	102	112	89	94	127	63
Master's Degree	382	374	350	362	373	403	402	431	380	410
PhD	3	3	3	3	5	5	5	6	6	6
Total	<u>491</u>	<u>484</u>	<u>455</u>	<u>459</u>	<u>480</u>	<u>520</u>	<u>496</u>	<u>531</u>	<u>513</u>	<u>479</u>
<u>Years of Experience</u>										
0-5	43	52	48	50	90	103	52	116	157	46
6-10	82	76	56	50	68	98	177	142	113	104
11 and over	366	356	351	359	322	319	267	273	243	329
Total	<u>491</u>	<u>484</u>	<u>455</u>	<u>459</u>	<u>480</u>	<u>520</u>	<u>496</u>	<u>531</u>	<u>513</u>	<u>479</u>

Source: School District personnel records

Cleveland Heights-University Heights School District

Attendance and Graduation Rates

Last Ten Fiscal Years Table 19

<u>Year</u>	<u>District Attendance Rate</u>	<u>State Average</u>	<u>District Graduation Rate</u>	<u>State Average</u>
2006	94.5%	94.1%	96.4%	86.1%
2007	94.2	94.1	96.0	86.9
2008	94.3	94.2	93.2	84.6
2009	94.6	94.3	85.6	83.0
2010	95.0	94.3	92.9	84.3
2011	94.9	94.5	75.5*	90.2*
2012	94.8	95.2	78.0*	81.3*
2013	94.6	94.2	80.0*	82.2
2014	94.4	94.3	n/a	n/a
2015	n/a	n/a	(a)	(a)

Source: Ohio Department of Education Local Report Card.

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

n/a – Information not available as of the completion date of this report.

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

Cleveland Heights-University Heights City School District

Full-time School District Employees by Function

Last Ten Fiscal Years Table 20

Function:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction:										
Regular	349	403	353	345	378	410	382	374	360	367
Special	118	124	102	114	102	110	148	161	155	153
Vocational	16	16	14	13	18	18	21	19	20	17
Adult/continuing	5	-	-	-	3	3	1	-	-	-
Other instruction	3	2	2	2	2	2	13	15	11	10
Support services:										
Pupil	160	189	196	196	164	158	113	125	115	135
Instructional staff	67	51	51	53	51	49	63	68	64	52
Administration	44	67	65	65	65	59	65	62	63	61
Fiscal	18	10	10	10	11	11	10	10	10	10
Business	25	5	4	4	4	4	4	3	3	3
Operations of maintenance of plant	87	109	102	102	96	96	96	93	90	85
Pupil transportation	82	48	49	49	43	32	42	34	40	44
Central	25	18	18	18	21	22	23	19	20	20
Operations of non-instructional services:										
Community services (1)	34	42	42	42	39	36	42	51	45	39
Other	1	1	1	1	1	1	1	1	1	1
Extracurricular activities	20	2	2	2	3	3	12	2	2	2
Total	<u>1,054</u>	<u>1,087</u>	<u>1,011</u>	<u>1,016</u>	<u>1,001</u>	<u>1,014</u>	<u>1,036</u>	<u>1,037</u>	<u>999</u>	<u>999</u>

Source: School District personnel records.

(1) Includes food services personnel.

ABOUT THE ARTWORK

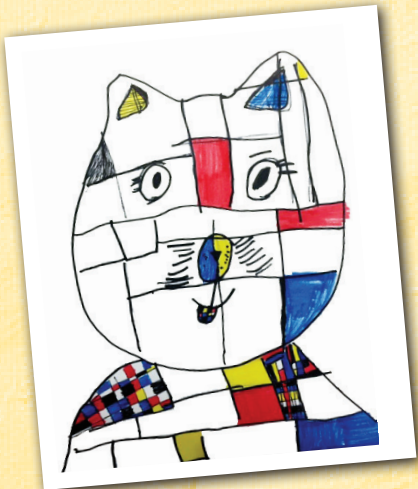
The artwork displayed throughout this report was created by Cleveland Heights – University Heights elementary, middle and high school students. We are grateful to them for allowing us to showcase their artistic talents.



PATRICK WALDRON
*3rd grade
Fairfax
Elementary
School*
.....



DAVID MATTIA
*10th grade
Cleveland Heights High School*
.....



SADIE STRAWSER
1st grade, Fairfax Elementary School
.....



SAVANNAH HOLLAND
*3rd grade
Roxboro Elementary School*
.....



Cleveland **Heights**
University



City School District

