



OHIO AUDITOR OF STATE
KEITH FABER



**NORDONIA HILLS CITY SCHOOL DISTRICT
SUMMIT COUNTY
JUNE 30, 2021**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Nordonia Hills City School District
Summit County
9370 Olde Eight Road
Northfield, Ohio 44067

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Nordonia Hills City School District, Summit County, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2021, wherein we noted the District adopted Governmental Accounting Standards Board (GAGAS) Statement No. 84, *Fiduciary Activities*, and wherein we noted the District referred to the financial impact of COVID-19 and the continuing emergency measures that may impact subsequent periods.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

December 22, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Nordonia Hills City School District
Summit County
9370 Olde Eight Road
Northfield, Ohio 44067

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited Nordonia Hills City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Nordonia Hills City School District's major federal program for the year ended June 30, 2021. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Basis for Qualified Opinion on Child Nutrition Cluster

As described in finding 2021-001, the District did not comply with requirements regarding Cash Management applicable to its *CFDA #10.553 and #10.555 Child Nutrition Cluster and CFDA # 10.553 & 10.555 COVID-19 Child Nutrition Cluster* major federal program. Compliance with this requirement is necessary, in our opinion, for the District to comply with requirements applicable to this program.

Qualified Opinion on Child Nutrition Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Child Nutrition Cluster and COVID-19 Child Nutrition Cluster* paragraph, the Nordonia Hills City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its *Child Nutrition Cluster and COVID-19 Child Nutrition Cluster* for the year ended June 30, 2021.

The District's response to our noncompliance finding is described in the accompanying schedule of findings and corrective action plan. We did not subject the District's response to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program's compliance requirement will not be prevented, or timely detected or corrected. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness, described in the accompanying schedule of findings as item 2021-001.

The District's response to our internal control over compliance finding is described in the accompanying schedule of findings and corrective action plan. We did not subject the District's response to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on the Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Receipts and Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Nordonia Hills City School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 22, 2021, wherein we noted the District adopted Governmental Accounting Standards Board (GAGAS) Statement No. 84, *Fiduciary Activities*, and wherein we noted the District referred to the financial impact of COVID-19 and the continuing emergency measures that may impact subsequent periods. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of receipts and expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

December 22, 2021

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**NORDONIA HILLS CITY SCHOOL DISTRICT
SUMMIT COUNTY
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

| FEDERAL GRANTOR Pass Through Grantor Program Title | Federal CFDA Number | Grant Year | Receipts | Non-Cash Receipts | Expenditures | Non-Cash Expenditures |
|--|------------------------------------|-----------------------|------------------|------------------------------|---------------------|----------------------------------|
| U.S. DEPARTMENT OF AGRICULTURE | | | | | | |
| <i>Passed Through Ohio Department of Education</i> | | | | | | |
| Child Nutrition Cluster: | | | | | | |
| COVID-19 School Breakfast Program | 10.553 | 2021 | \$ 2,489 | | \$ 2,489 | |
| School Breakfast Program | 10.553 | 2021 | 63,797 | | 63,797 | |
| COVID-19 National School Lunch Program | 10.555 | 2021 | 34,812 | | 34,812 | |
| National School Lunch Program | 10.555 | 2021 | 553,949 | \$ 70,077 | 553,949 | \$ 70,077 |
| Total Child Nutrition Cluster | | | <u>655,047</u> | <u>70,077</u> | <u>655,047</u> | <u>70,077</u> |
| Total U.S. Department of Agriculture | | | <u>655,047</u> | <u>70,077</u> | <u>655,047</u> | <u>70,077</u> |
| U.S. DEPARTMENT OF EDUCATION | | | | | | |
| <i>Passed Through Ohio Department of Education</i> | | | | | | |
| Special Education Cluster: | | | | | | |
| Special Education - Grants to States | 84.027 | 2020 | 50,582 | - | 26,249 | - |
| Special Education - Grants to States | 84.027 | 2021 | 413,264 | - | 453,986 | - |
| Special Education - Grants to States - Parent Mentor | 84.027A | 2021 | - | - | 1,979 | - |
| Preschool Grants | 84.173 | 2021 | 15,173 | - | 15,173 | - |
| Total Special Education Cluster | | | <u>479,019</u> | <u>-</u> | <u>497,387</u> | <u>-</u> |
| Title I: | | | | | | |
| Grants to Local Educational Agencies | 84.010 | 2020 | 6,099 | - | - | - |
| Grants to Local Educational Agencies | 84.010 | 2021 | 302,426 | - | 306,649 | - |
| Grants Expanding Opportunities for Each Child | 84.010A | 2021 | 4,040 | - | 3,856 | - |
| Total Grants to Local Educational Agencies, Title I | | | <u>312,565</u> | <u>-</u> | <u>310,505</u> | <u>-</u> |
| Title II-A | | | | | | |
| Improving Teacher Quality State Grants | 84.367 | 2020 | 27,103 | - | 20,893 | - |
| Improving Teacher Quality State Grants | 84.367 | 2021 | 95,047 | - | 94,032 | - |
| Total Improving Teacher Quality State Grants, Title II-A | | | <u>122,150</u> | <u>-</u> | <u>114,925</u> | <u>-</u> |
| Title III | | | | | | |
| English Language Acquisition State Grants | 84.365 | 2021 | 5,815 | - | 6,403 | - |
| Total English Language Acquisition State Grants, Title III | | | <u>5,815</u> | <u>-</u> | <u>6,403</u> | <u>-</u> |
| Title IV-A | | | | | | |
| Student Support and Academic Enrichment Program | 84.424 | 2020 | 2,437 | - | - | - |
| Student Support and Academic Enrichment Program | 84.424 | 2021 | 10,700 | - | 10,700 | - |
| Total Student Support and Academic Enrichment Program, Title IV-A | | | <u>13,137</u> | <u>-</u> | <u>10,700</u> | <u>-</u> |
| COVID-19 ESSER: | | | | | | |
| COVID-19 Elementary & Secondary School Emergency Relief | 84.425D | 2021 | 186,492 | - | 186,993 | - |
| Total Elementary & Secondary School Emergency Relief | | | <u>186,492</u> | <u>-</u> | <u>186,993</u> | <u>-</u> |
| Total U.S. Department of Education | | | <u>1,119,178</u> | <u>-</u> | <u>1,126,913</u> | <u>-</u> |

**NORDONIA HILLS CITY SCHOOL DISTRICT
SUMMIT COUNTY
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

| FEDERAL GRANTOR Pass Through Grantor Program Title | Federal CFDA Number | Grant Year | Receipts | Non-Cash Receipts | Expenditures | Non-Cash Expenditures |
|---|------------------------------------|-----------------------|---------------------|------------------------------|---------------------|----------------------------------|
| National Endowment for the Arts & Humanities | | | | | | |
| <i>Passed Through State Library of Ohio</i> | | | | | | |
| COVID-19 LSTA CARES Act: | | | | | | |
| COVID-19 Library Services and Technology Act CARES Act | 45.310 | 2021 | 3,000 | - | 2,689 | - |
| Total Library Services and Technology Act CARES Act | | | 3,000 | - | 2,689 | - |
| Total National Endowment for the Arts & Humanities | | | 3,000 | - | 2,689 | - |
| U.S. DEPARTMENT OF TREASURY | | | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| COVID-19 Coronavirus Relief Fund: | | | | | | |
| COVID-19 Broadband Connectivity | 21.019 | 2021 | 10,000 | - | 10,000 | - |
| COVID-19 Suburban School District | 21.019 | 2021 | 181,462 | - | 181,462 | - |
| Total Passed through Ohio Department of Education | | | 191,462 | - | 191,462 | - |
| <i>Passed Through Summit County, Ohio</i> | | | | | | |
| COVID-19 Coronavirus Relief Fund: | | | | | | |
| COVID-19 Public School District Reopening | 21.019 | 2021 | 367,952 | - | 367,952 | - |
| Total Passed through Summit County | | | 367,952 | - | 367,952 | - |
| Total Coronavirus Relief Fund | | | 559,414 | - | 559,414 | - |
| Total U.S. Department of Treasury | | | 559,414 | - | 559,414 | - |
| Total Federal Financial Assistance | | | <u>\$ 2,336,639</u> | <u>\$ 70,077</u> | <u>\$ 2,344,063</u> | <u>\$ 70,077</u> |

The accompanying notes are an integral part of this schedule.

**NORDONIA HILLS CITY SCHOOL DISTRICT
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Nordonia Hills City School District (the School District's) under programs of the federal government for the year ended June 30, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position or changes in net position of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - CHILD NUTRITION CLUSTER

The School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the School District assumes it expends federal monies first.

NOTE E – FOOD DONATION PROGRAM

The School District reports commodities consumed on the Schedule at the entitlement value. The School District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

NOTE F – ON BEHALF MONIES

The School District reported monies received and expended on-behalf of the School District on the Schedule for the Preschool (CFDA # 84.173) of \$15,173 from the Summit Educational Center and Title III-Language Instruction for English Learners (CFDA #84.365) of \$5,815. The School District reported the on-behalf activity to the respective program that benefitted from the two consortiums.

**NORDONIA HILLS CITY SCHOOL DISTRICT
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2021 to 2022:

| <u>Program Title</u> | <u>CFDA Number</u> | <u>Amt. Transferred</u> |
|---|-------------------------------|--------------------------------|
| Title I Grants to Local Educational Agencies: | | |
| Improving Basic Programs | 84.010 | \$ 9,810 |
| Expanding Opportunities for Each Child | 84.010A | 2,400 |
| Special Education - Grants to States | 84.027 | 493,445 |
| Title II, Part A: | | |
| Improving Teacher Quality | 84.367 | 12,310 |
| Diversifying the Education Profession | 84.367A | 10,000 |
| Title IV, Part A - Student Support & Academic Enrich. | 84.424 | 26,453 |
| | | \$ 554,418 |

**NORDONIA HILLS CSD
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2021**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material weaknesses in internal control reported for major federal programs? | Yes |
| (d)(1)(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Qualified |
| (d)(1)(vi) | Are there any reportable findings under 2 CFR § 200.516(a)? | Yes |
| (d)(1)(vii) | Major Programs (list): | Child Nutrition Cluster – CFDA # 10.553 and 10.555 and CFDA # 10.553 & 10.555 COVID-19 Child Nutrition Cluster |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$ 750,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee under 2 CFR § 200.520? | Yes |

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Finding Number: 2021-001
CFDA Number and Title: CFDA # 10.553 & 10.555 Child Nutrition Cluster
CFDA # 10.553 & 10.555 COVID-19 Child Nutrition Cluster
Federal Award Identification Number / Year: 2021
Federal Agency: U.S. Department of Agriculture
Compliance Requirement: Cash Management
Pass-Through Entity: Ohio Department of Education
Repeat Finding from Prior Audit? No

2 CFR § 400.1 - Internal Controls Nutrition Cluster Claims Reimbursement – Noncompliance and Material Weakness

2 CFR § 400.1 gives regulatory effect to the Department of Agriculture for 2 CFR § 200.303 which requires that non-Federal entities receiving Federal awards (i.e., auditee management) to establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

7 CFR § 210.7(c) states, in part, “to be entitled to reimbursement under this part, each school authority shall ensure that the Claim for Reimbursement accurately reflects the number of lunches and meal supplements served to eligible children, and the school food authority shall, at a minimum: (iii) Base Claims for Reimbursement on lunch counts, taken daily at the point of service, which correctly identify the number of free, reduced price and paid lunches served to eligible children; (iv) Correctly record, consolidate and report those lunch and supplement counts on the Claim for Reimbursement; and (v) Ensure that Claims for Reimbursement do not request payment for any excess lunches produced, as prohibited in §210.10(a)(2), or non-Program lunches (i.e., a la carte or adult lunches) or for more than one meal supplement per child per day.

7 CFR § 210.8(c) states the Claim for Reimbursement shall include data in sufficient detail to justify the reimbursement claimed and to enable the State agency to provide the Report of School Program Operations required under §210.5(d) of this part. Such data shall include, at a minimum, the number of free, reduced price and paid lunches and meal supplements served to eligible children. The claim shall be signed by a school food authority official.

One hundred percent (3 of 3) of the site claim form submissions tested by the Auditor of State’s office contained inaccurate meal counts, were incorrectly calculated and / or were incorrectly entered into the claims reimbursement system. In addition, District personnel performed additional site claim form review which subsequently identified one additional month (out of three additional months) which contained similar errors. These errors occurred due to a weakness in internal controls, which failed to ensure site claim forms for reimbursable meals served at each building and submitted by the District to the Ohio Department of Education were calculated and entered correctly. These errors resulted in the District underreporting the meal count for reimbursement.

The District should implement policies and procedures to help ensure monthly site claim forms for all District buildings are reviewed for accuracy and consistency with supporting documentation prior to submission for reimbursement.

Official’s Response: See Corrective Action Plan

CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
JUNE 30, 2021

Finding Number: 2021-001
Planned Corrective Action:

To ensure monthly site claim forms for all District school buildings are reviewed for accuracy and consistency, we have and/or plan to implement the following corrective actions to address this finding:

- For the District's middle and high school buildings, the District has implemented a new Point of Sale (POS) system and it is now required for students to enter their student ID number in pin pads as they pass through the food service lines. This POS system is automated and will provide more accurate and consistent recordkeeping in the District's daily meal counts.
- PaySchools, our Point of Sale vendor, is providing additional professional development for Foodservice staff utilizing system tools to increase accuracy of students served while being expedient.
- We are still relying on tally sheets in our K-6 buildings. As a result, we have implemented the following protocols for accuracy and consistency in meal count reporting:
 - Kitchen Managers will daily audit tally marks and sign-off on their counts
 - Foodservice Manager will audit the daily reports from the Kitchen Managers weekly and sign-off on the respective reports
 - Business Director and Foodservice Manager will audit all reports prior to final entry in CRSS system and sign-off accordingly

Anticipated Completion Date: Most items already in practice for current school year and PaySchools final professional development training is scheduled for January 21, 2022

Responsible Contact Person: Matthew Strickland, Business Manager

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Nordonia Hills City School District
Northfield, Ohio



“Inspiring every student to value learning, community and excellence.”

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Nordonia Hills City School District Northfield, Ohio

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021



Prepared by:
Treasurer's Office
Matt Brown, Treasurer/CFO



Introductory Section

Nordonia Hills City School District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021
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December 22, 2021

Board of Education Members and
Residents of Nordonia Hills City School District

It is our privilege to present to you the Annual Comprehensive Financial Report (ACFR) of the Nordonia Hills City School District (the “School District”) for the fiscal year ended June 30, 2021. This ACFR, which includes an opinion from the Auditor of the State of Ohio, enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), requiring districts to report on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 requiring districts to report on a GAAP basis and to file an unaudited annual report with the Auditor of State within 150 days of fiscal year-end.

Management assumes full responsibility for the completeness and reliability of the information contained in this ACFR, based upon a comprehensive framework of internal controls that it has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than an absolute assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

The report provides the taxpayers of the School District, bond rating agencies, and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the School District’s finances. This report is intended to meet the accountability requirements of the School District to the public.

Copies of this report will be on file in the central offices, as well as on the School District’s website, www.nordoniaschools.org.

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. The MD&A complements this letter of transmittal and should be read in conjunction with it.

School District Organization

Nordonia Hills City School District is one of 611 school districts in the State of Ohio and one of 17 school districts in Summit County. The School District is located in the northern tip of historical Summit County, Ohio. The School District serves the picturesque communities of Northfield Center, Northfield Village, Macedonia, Sagamore Hills and a portion of Boston Heights. Easy access to the area is provided by Interstates 80, 271 and 480 and State Routes 8 and 82. Major hospitals, Cleveland Hopkins International Airport and over twenty institutions of higher learning are within a thirty-minute drive. The School District’s communities are predominantly suburban-residential with a population exceeding 32,000. The socio-economic make-up ranges from middle to upper income.

Today the municipalities of Macedonia, Northfield Center, Northfield Village and Sagamore Hills occupy the boundaries of what was once known as “Olde Northfield Township” which was established in 1819. It was one of the early communities of the Connecticut Western Reserve known as Town 5, Range 11, and occupied approximately 28 square miles. A complete history of Olde Northfield Township was written by Bessie Goosman and published in 1973. Olde Northfield Township’s population grew to 1,076 where it remained through 1905 when several clusters of developments began to occur. In 1912, the eastern side of the township became the Village of Macedonia, and the Township was reorganized into a village. In 1932, the western

portion of the Olde Northfield Village separated and became Sagamore Hills Township. A few years later in 1935, the middle section located between Macedonia and Sagamore Hills became Northfield Center when another group of residents broke away from what is known today as Northfield Village.

The School District has its roots in a one-room log schoolhouse built in 1827. The first Macedonia school was established in 1833 and located on Valley View Road at the present site of the Pavilion Building. In 1881, identical schools known as the “Old Brick Schools” were built in Macedonia and Northfield. Centralization of schools began in 1908 and students were educated in a variety of locations in the communities until a complete consolidation occurred in 1948. Soon thereafter, the area began to grow in population and Lee Eaton Elementary, Ledgeview Elementary, Rushwood Elementary and Nordonia High School were constructed. The School District evolved into an all-time high student enrollment of 5,700 pupils in 1971, then declined to a low of 2,800 in 1991. Following this period of declining enrollment, the School District has grown twenty-one percent through 2021.

The School District educates 3,381 pupils in six community schools: Ledgeview Elementary (K-4), Northfield Elementary (K-4), Rushwood Elementary (K-4), Lee Eaton Elementary (5-6), Nordonia Middle School (7-8), and Nordonia High School (9-12). Enrollment is projected to increase slightly over the next ten years.

The Board of Education (the “Board”) of the School District is comprised of five members elected at large by the citizens of the School District. The Board serves as the taxing authority, contracting body, and policy initiator for the operations of the School District. The Board is responsible for the adoption of the tax budget, the annual operating budget, and approves all expenditures of the School District. The Board is a separate and distinct unit of government and is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. Dr. Joe Clark has served as Superintendent since November 2011.

The Treasurer is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds, investing idle funds as permitted by Ohio law and serves as Secretary to the Board. Matthew Brown was appointed as Treasurer of the School District on August 1, 2021 and has a total of seventeen years of experience covering both the Treasurer role and government auditing role.

Reporting Entity

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," Statement No. 39, “Determining Whether Certain Organizations Are Component Units,” and Statement No. 61, “The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34.” In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the School District (the primary government) and its potential component units. The School District is not a component unit and has no component units.

The City of Macedonia, Sagamore Hills Township, Northfield Center, Northfield Village, Village of Boston Heights, Summit County Public Library, Parent Teacher Organization and the Nordonia Hills School Foundation have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are the organizations fiscally dependent on the School District.

Northeast Ohio Network for Educational Technology (NEOnet), the Ohio Schools Council, the Cuyahoga Valley Career Center, and the Stark County Schools Council of Governments are reported as jointly governed organizations and a risk-sharing pool. Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and Federal agencies.

Economic Condition and Outlook

The School District is located conveniently between the metropolitan cities of Akron and Cleveland, providing a wealth of opportunity for cultural, social, and economic resources for its residents. Three major State universities, The University of Akron, Cleveland State University, and Kent State University, are within desirable traveling distance of the community.

The Nordonia Hills communities offer an excellent opportunity for business growth and expansion. It is a healthy, stable environment. The City of Macedonia actively stimulates the economy through a diverse group of employers ranging from small family-operated businesses to major commercial/industrial corporations.

As of June 2021, Ohio's unemployment rate was 5.2 percent, the nation's unemployment rate was 5.9 percent, and the unemployment rate for Summit County was 6.6 percent. Specific unemployment figures for the communities within the Nordonia Hills City School District are not available (Source: Ohio Job and Family Services).

On a budgetary basis, the School District receives approximately 71.2 percent of its total operating revenues from local property tax collections. Therefore, the long-term financial health of the School District is very dependent on its tax base. Tax rates are certified by the Summit County Fiscal Office and approved by the Board.

Employee Relations

The School District currently has approximately 478 full-time equivalent employees. Two labor organizations represent School District employees. Certificated employees, including teachers and educational specialists, are represented for collective bargaining purposes by the Nordonia Hills Education Association (NHEA). Support employees, including cooks, custodians, maintenance, educational aides and clerical staff, are represented for collective bargaining purposes by the Ohio Association of Public School Employees Local 246 (OAPSE).

Services Provided

The School District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or Board directives. During fiscal year 2021, the School District operated in a blend of regular in-person learning, hybrid learning, and fully remote learning at various times depending on Coronavirus (COVID-19) data. Based on data when we were regular in-person, our fleet of 36 contracted buses traveled 2,704 miles each day providing transportation services to 1,251 public and 214 private and parochial students. The School District contracts with Petermann for pupil transportation services. The Nutrition Services Department served an average of 1,269 meals daily for a total of 162,697 meals annually through the School District's lunchrooms. This year was an anomaly due to the COVID-19 pandemic that forced us to operate in a blend of regular in-person learning, hybrid learning, and fully remote learning throughout the year. Thus, impacting transportation and food services.

In addition to transportation and school lunch support services offered to children in the School District, guidance, special education and health services are available free of charge. Guidance services support the school environment and are designed to help students achieve a well-adjusted social life. Special education services, including school psychology services, are provided to all Federal disability categories ranging from preschool-age students through high school. The School District provides medical support staff through Akron Children's Hospital who are committed to meeting the daily health care needs of all students, as well as the long-term needs of children with chronic illnesses.

At the center of the School District's services are the instructional programs. The School District offers regular instructional programs daily to students in pre-school to grade twelve. The School District served approximately 479 identified students who need specially designed programs. These students received services through a wide array of special education programs offered in the School District.

Educational Programs

The State report card was greatly shortened due to COVID-19, the global pandemic, which subsequently canceled the State assessments. In years past, the School District has consistently earned one of the top Ohio Department of Education (ODE) report cards out of school districts in Summit County. For seven years in a row, the School District scored above average in value-added. That means, overall, the School District students learn more than a year's worth of content in a school year.

The Class of 2021 had 69 students awarded the Ohio Diploma with Honors, 114 graduated with distinction (3.75 GPA), 56 graduated with merit (3.35 GPA) and 33 students received the Superintendent Award by being in the top ten percent of the graduating class.

For the 22 Advanced Placement classes taught at Nordonia, 237 students took 392 exams to successfully complete their program. There was a total of 53 AP scholars with 8 students receiving a Capstone Diploma. Advanced Placement offerings are biology, calculus AB, calculus BC, chemistry, comparative government and politics, English literature and composition, physics 1, physics 2, psychology, statistics, U.S. government and politics, U.S. history, AP seminar, AP research, Spanish, microeconomics, macroeconomics, 2D art and design, English language, world history, modern and computer science.

Participation in performing and visual arts inspires students' creativity, problem-solving and critical-thinking skills. Synergy and Momentum, our A Cappella groups, were selected as featured performers at the National A Cappella Festival. Synergy headlined the Baldwin Wallace A Cappella Festival. The Symphonic Chorale, Women's Chorus, and Men's Chorus all received superior ratings at the Ohio Music Education Association (OMEA) district contest held in the spring of 2020, qualifying them for State contest. The State contest as well as all 2021 events were ultimately canceled due to the coronavirus pandemic.

The 2021 Nordonia Marching Band had a very successful return to competitions this year starting off with a fourth place overall finish at the Revere OMEA event. They received the highest rating from all the judges for an overall rating of "Superior" which qualified them for the State Finals competition for the eighth consecutive competition year. They next travelled to The University of Toledo where they placed fourth in class AA with eighteen total bands competing in a Bands of America Regional competition. At the Copley OMEA event they placed third overall out of fifteen bands and won "Best Visual" overall and they finished the regular competition season with a second place overall finish and won Reserve Grand Champion at the New Philadelphia OMEA competition. They finished their competition season with their OMEA State Finals performance at Median High School where they received the highest rating of "Superior" for the eighth consecutive competition year and an outstanding final performance at Lucas Oil Stadium in Indianapolis in Bands of America Grand National Finals.

The Nordonia High School Drama Club tackled Oscar Wilde's *The Importance of Being Earnest* for its fall production, returning to a weekend of modified live performances. In the spring, the Drama Club presented *No Day But Today: Nordonia Drama sings Broadway*, a cabaret musical revue featuring twenty songs spanning six decades of Broadway musicals. Their filmed final performance was debuted to friends and family this past May. Nordonia Drama was once again a participating school in the 2021 Dazzle awards presented through Playhouse Square, with students participating in their educational master classes as well as performing in their virtual choir end-of-the-year presentation.

The Nordonia Hills High School health and physical education department offered 6 electives in 2021 in addition to the standard health and physical education classes required for graduation. In ninth through twelfth grades, 645 students achieved 60 minutes of activity daily by enrolling in physical education classes and physical education electives: Lifetime Fitness, TeamMates (Adapted PE), Recreational Sports and Games, Team Sports, and Basketball. In addition, 270 students took a semester of Health class, where they learn various topics including nutrition, mental health, the body systems, and receive training and certification in red cross first aid and CPR. A total of 30 students enrolled in a new health elective called Health Careers.

All high school students are required to have 20 community service hours completed and documented in order to graduate. The class of 2021 completed more than 30,000 hours of community service.

The senior job shadow program provides a unique opportunity for seniors in the class of 2021 to investigate careers of interest to them. Due to the global pandemic, some students were not able to physically experience their career, but they were able to interview people in the career field and complete a research project to explore the field. Some businesses in our community were still able to welcome our seniors in a more traditional job shadow, which allowed community members to interact with seniors and gave seniors a chance to examine various careers up close.

Nordonia Middle School students can earn high school credit in Algebra I, Geometry, Health, and Spanish. Nordonia Middle School offers activities and leadership opportunities for students through groups such as Student Council, Power of the Pen, Science Olympiad, office aides, student aides, Youth to Youth, Drama Club, Interact Club, PTSA, and GIRLS Club. The middle school continues to expand the automation and robotics module from Project Lead the Way (PTLW) for seventh and eighth-grade students. Students trace the history, development and influence of automation and robotics as they learn about mechanical systems, energy transfer, machine automation and computer control systems. Students use the VEX robotics platform to design, build and program real-world objects such as traffic lights, toll booths and robotic arms. A second PTLW course, Flight and Space, was added for the 2021-22 school year, with plans to add two additional courses by the 2023-24 school year. Leveled literacy intervention (LLI) support has been implemented at the middle school, and Lee Eaton elementary school. This LLI support will assist our students with targeted reading intervention, reading fluency and reading comprehension.

At Nordonia Middle School, many students demonstrated high academic marks in the 2020-2021 school year. Two hundred nine middle school students maintained 3.6 to 4.0 grade point average (GPA) or greater for the school year.

Lee Eaton Elementary School offered support or intervention programs such as Leveled Literacy Interventions (LLI) and Upward Math as tier 2 interventions. The Project Lead the Way class of Design and Modeling was added to our Encore rotation this year to support and create an introductory course to the engineering, STEM program of the Middle School. The course was and will be taken by all 5th and 6th grade students. Our Enrichment program of Future Problem Solvers was extremely successful in their competitions at the state level. The Future Problem Solving Program International (FPSPI) is an academic program that builds critical and creative thinking skills, encourages participants to develop a vision for the future, and prepares them for leadership roles. The program promotes vital 21st century skills. The experiences and skills gained from involvement are invaluable to the leaders of tomorrow. The in-person experience with the International Conference was not possible again this year, so our students participated in the virtual bowl. This was an amazing opportunity for our students to participate in incredible work with students from all over the world.

Community

As part of the School District's strategic plan, the Financial Activities Communications Team (FACT) was formed consisting of residents with financial backgrounds. FACT meets with the School District Treasurer/CFO on a quarterly basis to review and discuss the financial activities of the School District. FACT researches financial data from other area school districts to determine how Nordonia Hills compares.

The Nordonias Hills Schools Foundation provides grants to teachers for educational and instructional programs.

In conjunction with the PTSA Council, the School District held its seventh annual Winter Art and Music Festival showcasing art and music from every School District building.

Long-Term Financial Planning

The School District prepares a five-year financial forecast annually for use as a long-range planning tool. The five-year forecast contains projected local and State revenues, spending patterns within each area of the budget, and cash balances in the School District's general operating fund. The five-year forecast provides early warning signals of potential financial problems, specifically when expenditures outpace revenue. The School District uses this forecast to provide a basis for making financial decisions, including the development of the annual budgets, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot. The forecast can be found on the School District's website, www.nordoniaschools.org.

In May 2019, our voters overwhelmingly approved a 6.98 mill operating tax levy 60 percent to 40 percent for a continuing period, making it the largest margin of victory for an operating levy in Nordonias Schools' history. The School District began receiving tax collections from this levy in January 2020. This levy will allow the School District to maintain class sizes and busing, make needed repairs to aging facilities and systems, increase mental health services for students in need, and investigate adding programs to keep Nordonias students competitive with students from area school districts.

Budgetary Initiatives

Since the School District does not have a permanent improvement levy, it is necessary for major initiatives relative to the maintenance of the School District's aging facilities to be budgeted through the general operating fund. This is carefully monitored and managed through the budget process each year. The School District uses a collaborative approach to develop the building/department budgets to best serve the needs of the students.

Relevant Financial Policies

The School District utilizes financial policies to manage purchases. In addition, the School District has a board policy for the procurement of Federal grant funds and uses the uniform Federal grant guidance when making purchases from Federal grants funding. All board policies regarding financial procedures are carefully monitored for compliance.

Financial Accomplishments

Financial responsibility ensures that most of the funding is spent on classroom instruction. Based on the financials for fiscal year 2021, the School District spent approximately 58.1 percent of its total operating expenses on instructional costs.

Of 17 school districts in Summit County, Nordonias Hills City School District is the only school district without a permanent improvement levy.

The School District participates in various Federal grant programs providing additional resources for students. In fiscal year 2021, the School District received federal grants in the amounts of \$1,126,914 from the U.S. Department of Education, \$559,414 from the U.S. Department of Treasury and \$2,689 from the National Endowment for the Arts & Humanities. In addition, the School District received \$655,047 as a Federal subsidy for the National School Lunch and Breakfast programs provided from the U.S. Department of Agriculture.

Memberships within the following organizations assist the School District in receiving products and services while sharing the costs with other school districts and public entities:

- Stark County Schools Council of Governments (COG) was established in 1987 and manages the School District's insurance programs (medical, dental, vision and life). There are more than 137 entities representing over 15,000 participants. In fiscal year 2021, insurances increased 3.90 percent for all lines of insurance, except life, and the School District received two premium holidays where no premiums were charged to employees or the board in August and September, resulting in an estimated savings of \$1.2 million.
- Ohio School Council for group purchasing of cafeteria food and supplies, waste and recycling and electricity.
- HPS for group purchasing of cafeteria food and supplies, school furnishings and equipment.
- Lake Erie Educational Media Consortium for discounts for library books and resources.

Awards

GFOA Certificate of Achievement Program

The School District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR), whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting our fiscal year 2021 ACFR for review.

Acknowledgments

The publication of this report is a significant step toward professionalizing the financial reporting of the School District while enhancing its accountability and transparency to the residents of the Nordonia Hills City School District.

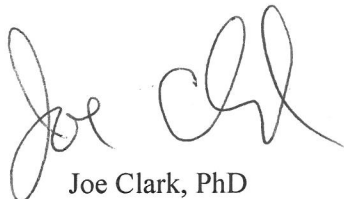
This Annual Comprehensive Financial Report was made possible by the diligence of the staff of the Office of the Treasurer/CFO. Their initiative and conscientious work ensured the integrity of the financial information contained herein and guaranteed this report's successful completion.

Finally, our thanks are extended to the Board of Education for their support in recognizing the importance of continuously improving our financial accountability and transparency to our citizens and their commitment to excellence in financial reporting. It is the School District's mission to "inspire every student to value learning, community, and excellence."

Respectfully submitted,



Matthew A. Brown
Treasurer/CFO



Joe Clark, PhD
Superintendent

Nordonia Hills City School District

Principal Officials

Board of Education

Mr. Chad Lahrmer.....President
Mrs. Liz McKinley.....Vice President
Mr. William Busse.....Member
Ms. Judith Matlin.....Member
Mrs. Tammy Strong.....Member

Treasurer/CFO

Mr. Matt Brown *

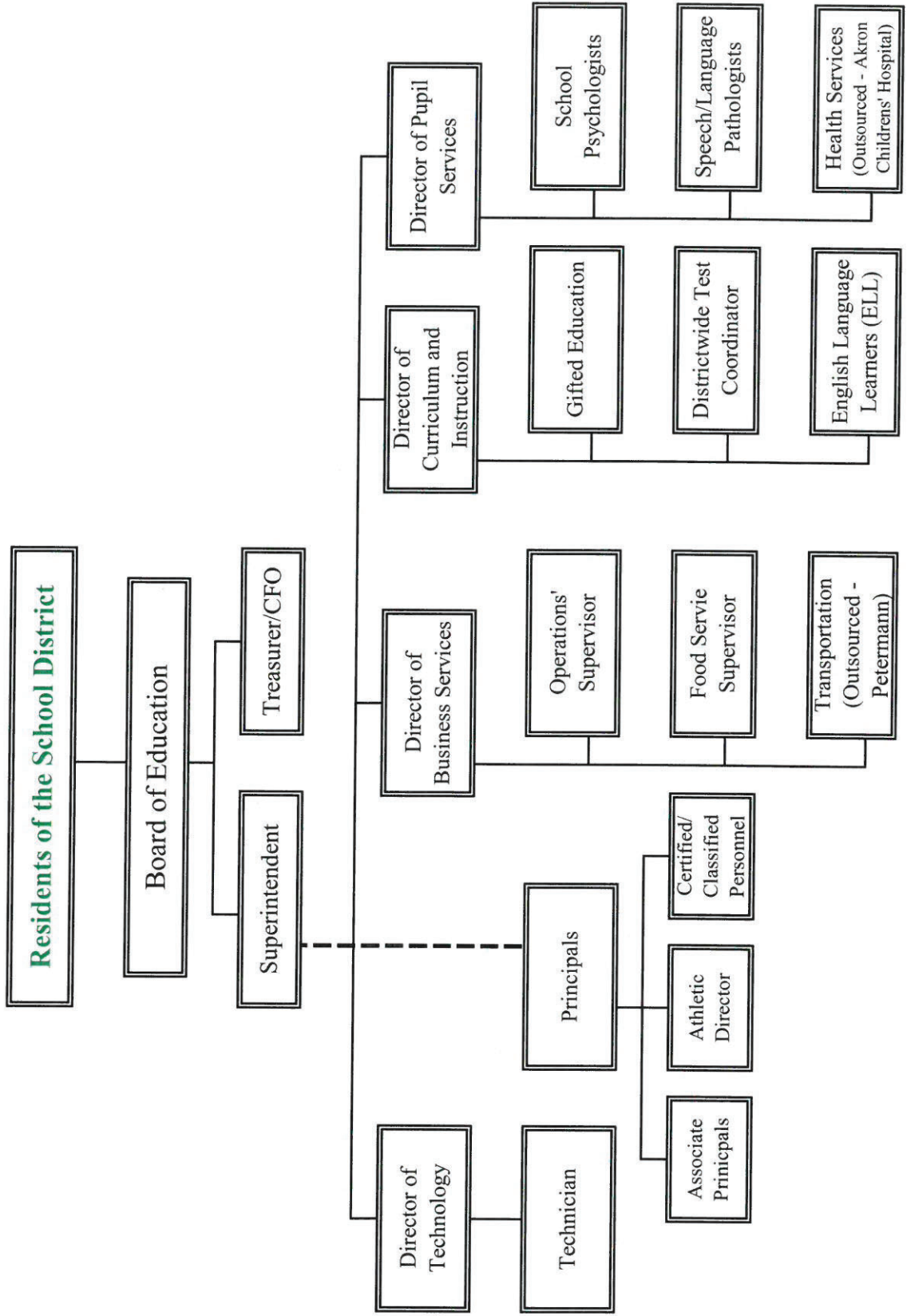
Administration

Dr. Joe Clark.....Superintendent
Mr. Matthew Strickland.....Director of Business Services
Mrs. Carrie Hutchinson.....Director of Pupil Services
Mr. Todd Stuart.....Director of Curriculum & Instruction
Mr. Mike Russ.....Director of Technology

* Matt Brown started his appointment as Treasurer on August 1, 2021 upon the retirement of Karen Obratil.

Nordonia Hills City School District

Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Nordonia Hills City School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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Financial Section

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Nordonia Hills City School District
Summit County
9370 Olde Eight Road
Northfield, Ohio 44067

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Nordonia Hills City School District, Summit County, Ohio (the District), as of and for the year ended June 30, 2021, 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 such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position 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 22 to the financial statements, during 2021, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

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

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 and other post-employment benefit liabilities and pension and other post-employment benefit 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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 22, 2021

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Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

The discussion and analysis of Nordonia Hills City School District's (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2021 are as follows:

- Net position increased in fiscal year 2021 due mainly to a decrease in long-term debt obligations attributable to the continued pay-down of debt, increases in current and capital assets as well as decreases in the net OPEB liability and deferrals associated with the liability. The increase in net position was partially offset by changes in the net pension liability and the deferred outflows and deferred inflows of resources associated with this liability.
- Expenses totaled \$59,579,160, an increase of 3.56 percent from the prior fiscal year. Instructional expenses made up 58.13 percent of this total while support services accounted for 36.08 percent. Other expenses rounded out the remaining 5.79 percent.
- The School District's capital assets increased by \$89,102 from the prior fiscal year. The increase was due to current year additions exceeding annual depreciation and current year deletions. Additions included school roofing improvements, stadium turf replacement, technology equipment and new maintenance trucks.
- Outstanding general obligation bonded debt decreased from \$19,065,636 in fiscal year 2020 to \$16,253,550 in fiscal year 2021, due to making debt service payments.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes pertaining to those statements. These statements are organized so the reader can understand Nordonia Hills City School District as a financial whole, or a complete operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and the statement of activities provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Nordonia Hills City School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during fiscal year 2021?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and

Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

liabilities and deferred inflows of resources using the accrual basis of accounting, similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in that net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's performance, demographic and socioeconomic factors and the willingness of the community to support the School District.

In the statement of net position and the statement of activities, the School District's activities are all reported as governmental. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operations and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 11. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental fund is the general fund.

Governmental Funds

All of the School District's activities are reported as governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

You may recall that the statement of net position provides the perspective of the School District as a whole. Table 1, found on the following page, provides a summary of the School District's net position for fiscal year 2021 compared to fiscal year 2020:

Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 1
Net Position

| | Governmental Activities | | |
|---|-------------------------|-----------------------|--------------------|
| | 2021 | Restated 2020 | Change |
| Assets | | | |
| Current and Other Assets | \$62,386,452 | \$62,269,382 | \$117,070 |
| Capital Assets, Net | 30,498,923 | 30,409,821 | 89,102 |
| Net OPEB Asset | 3,011,777 | 2,850,112 | 161,665 |
| Total Assets | 95,897,152 | 95,529,315 | 367,837 |
| Deferred Outflows of Resources | | | |
| Deferred Charge on Refunding | 347,204 | 409,576 | (62,372) |
| Pension | 10,312,442 | 10,676,488 | (364,046) |
| OPEB | 1,815,311 | 1,447,379 | 367,932 |
| Asset Retirement Obligation | 25,200 | 0 | 25,200 |
| Total Deferred Outflows of Resources | 12,500,157 | 12,533,443 | (33,286) |
| Liabilities | | | |
| Current and Other Liabilities | 5,927,953 | 5,868,785 | (59,168) |
| Long-Term Liabilities: | | | |
| Due Within One Year | 3,040,644 | 2,960,306 | (80,338) |
| Due in More than One Year: | | | |
| Net Pension Liability | 56,121,181 | 51,595,556 | (4,525,625) |
| Net OPEB Liability | 4,917,488 | 5,822,175 | 904,687 |
| Other Amounts | 17,894,045 | 20,203,651 | 2,309,606 |
| Total Liabilities | 87,901,311 | 86,450,473 | (1,450,838) |
| Deferred Inflows of Resources | | | |
| Property Taxes | 37,054,683 | 36,913,225 | (141,458) |
| Payments in Lieu of Taxes | 1,932,950 | 2,838,598 | 905,648 |
| Deferred Gain on Refunding | 109,848 | 134,259 | 24,411 |
| Pension | 555,184 | 2,378,297 | 1,823,113 |
| OPEB | 6,264,743 | 5,054,173 | (1,210,570) |
| Total Deferred Inflows of Resources | 45,917,408 | 47,318,552 | 1,401,144 |
| Net Position | | | |
| Net Investment in Capital Assets | 14,482,729 | 11,619,502 | 2,863,227 |
| Restricted: | | | |
| Debt Service | 1,877,390 | 1,703,823 | 173,567 |
| Capital Projects | 32,839 | 247,017 | (214,178) |
| Other Purposes | 1,090,853 | 881,154 | 209,699 |
| Unrestricted (Deficit) | (42,905,221) | (40,157,763) | (2,747,458) |
| Total Net Position | (\$25,421,410) | (\$25,706,267) | \$284,857 |

Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2021. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. For the School District, total assets and deferred outflows of resources were less than total liabilities and deferred inflows of resources by \$25,421,410 in fiscal year 2021 and \$25,706,267 in fiscal year 2020.

A large portion of the School District’s net position reflects “Net Investment in Capital Assets” (i.e. land, construction in progress, buildings, improvements, furniture, fixtures, equipment and vehicles) less any related debt to acquire those assets that are still outstanding. The School District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the School District’s investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The School District continues to provide the services that the School District residents expect while maintaining the costs of providing those services. The most dramatic changes were decreases to long-term debt as well as changes in the net pension and net OPEB (asset) liabilities and the deferred outflows and inflows associated with these liabilities. Changes in pension benefits, contributions rates, and return on investments affect the balance of the net pension and net OPEB liabilities. The decrease in long-term debt obligations was due to annual debt payments.

Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for fiscal years 2021 and 2020.

Table 2
Change in Net Position

| | Governmental Activities | | |
|--|-------------------------|-----------------------|--------------------|
| | 2021 | 2020 | Change |
| Revenues | | | |
| Program Revenues: | | | |
| Charges for Services | \$1,731,354 | \$2,138,293 | (\$406,939) |
| Operating Grants, Contributions and Interest | 3,716,521 | 2,457,385 | 1,259,136 |
| Capital Grants and Contributions | 41,897 | 900 | 40,997 |
| Total Program Revenues | <u>5,489,772</u> | <u>4,596,578</u> | <u>893,194</u> |
| General Revenue: | | | |
| Property Taxes | 42,948,603 | 36,764,302 | 6,184,301 |
| Payments in Lieu of Taxes | 1,924,340 | 2,331,129 | (406,789) |
| Grants and Entitlements, not Restricted | 8,760,292 | 9,003,170 | (242,878) |
| Unrestricted Contributions and Donations | 7,231 | 2,306 | 4,925 |
| Investment Earnings | 518,234 | 356,721 | 161,513 |
| Miscellaneous | 215,545 | 234,465 | (18,920) |
| Total General Revenues | <u>54,374,245</u> | <u>48,692,093</u> | <u>5,682,152</u> |
| Total Revenues | <u>59,864,017</u> | <u>53,288,671</u> | <u>6,575,346</u> |
| Program Expenses: | | | |
| Instruction: | | | |
| Regular | 25,250,024 | 24,537,043 | (712,981) |
| Special | 8,922,887 | 9,516,804 | 593,917 |
| Vocational | 350,203 | 325,210 | (24,993) |
| Student Intervention Services | 107,035 | 74,012 | (33,023) |
| Support Services: | | | |
| Pupils | 5,530,106 | 4,830,930 | (699,176) |
| Instructional Staff | 1,429,048 | 1,324,063 | (104,985) |
| Board of Education | 38,320 | 31,790 | (6,530) |
| Administration | 3,394,406 | 3,295,234 | (99,172) |
| Fiscal | 1,600,811 | 1,476,386 | (124,425) |
| Business | 343,402 | 353,359 | 9,957 |
| Operation and Maintenance of Plant | 5,150,407 | 4,001,620 | (1,148,787) |
| Pupil Transportation | 3,584,347 | 3,576,665 | (7,682) |
| Central | 426,560 | 426,355 | (205) |
| Operation of Non-Instructional Services | 460,243 | 428,262 | (31,981) |
| Food Service Operations | 1,048,789 | 1,286,149 | 237,360 |
| Extracurricular Activities | 1,541,760 | 1,532,935 | (8,825) |
| Interest and Fiscal Charges | 400,812 | 515,489 | 114,677 |
| Total Program Expenses | <u>59,579,160</u> | <u>57,532,306</u> | <u>(2,046,854)</u> |
| Change in Net Position | 284,857 | (4,243,635) | 4,528,492 |
| Net Position Beginning of Year - Restated | <u>(25,706,267)</u> | <u>(21,462,632)</u> | <u>(4,243,635)</u> |
| Net Position End of Year | <u>(\$25,421,410)</u> | <u>(\$25,706,267)</u> | <u>\$284,857</u> |

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Unaudited

Program revenues increased for governmental activities in fiscal year 2021 due mainly to higher operating grants. A significant portion of the increase in operating grants was the result of the new ESSER and Coronavirus Relief funding. Property taxes saw a significant increase over the prior fiscal year due to the new 6.98 mill operating levy that the School District began collecting on in January 2020. Fiscal year 2021 was the first full year of collections from the new levy.

Instruction composes the most significant portion of governmental program expenses. The increase in program expenses was due mainly to higher regular instruction costs related to personal services and to higher operation and maintenance costs related to purchased services and materials and supplies costs.

Governmental Activities

Several revenue sources fund our governmental activities with property taxes and State Foundation revenues being the largest contributors. With the combination of taxes and intergovernmental funding making up a significant portion of all revenues, the School District monitors both of these revenue sources very closely for fluctuations. See Note 24 to the basic financial statements for additional information related to the new State Foundation funding model beginning in fiscal year 2022.

The majority of the School District's expenses are for instructional costs. Support services for pupils, staff, administration, business operations, pupil transportation, and others are the next largest area of expenses. The remaining amount of program expenses are to facilitate other obligations of the School District, such as interest and fiscal charges, the food service program, and numerous extracurricular activities.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements for fiscal year 2021 compared to 2020.

Table 3
Governmental Activities

| | Total Cost of Services 2021 | Net Cost of Services 2021 | Total Cost of Services 2020 | Net Cost of Services 2020 |
|---|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| Instruction: | | | | |
| Regular | \$25,250,024 | \$24,441,064 | \$24,537,043 | \$23,895,656 |
| Special | 8,922,887 | 7,927,196 | 9,516,804 | 8,385,681 |
| Vocational | 350,203 | 329,791 | 325,210 | 306,254 |
| Student Intervention Services | 107,035 | 104,982 | 74,012 | 72,902 |
| Support Services: | | | | |
| Pupils | 5,530,106 | 4,683,340 | 4,830,930 | 4,574,390 |
| Instructional Staff | 1,429,048 | 1,108,392 | 1,324,063 | 1,214,172 |
| Board of Education | 38,320 | 37,585 | 31,790 | 31,313 |
| Administration | 3,394,406 | 3,327,306 | 3,295,234 | 3,243,262 |
| Fiscal | 1,600,811 | 1,571,430 | 1,476,386 | 1,455,775 |
| Business | 343,402 | 336,960 | 353,359 | 348,326 |
| Operation and Maintenance of Plant | 5,150,407 | 4,824,285 | 4,001,620 | 3,921,501 |
| Pupil Transportation | 3,584,347 | 3,419,166 | 3,576,665 | 3,416,715 |
| Central | 426,560 | 408,948 | 426,355 | 409,798 |
| Operating of Non-Instructional Services | 460,243 | (11,720) | 428,262 | 13,750 |
| Food Service Operations | 1,048,789 | 274,500 | 1,286,149 | 365,248 |
| Extracurricular Activities | 1,541,760 | 905,351 | 1,532,935 | 765,496 |
| Interest and Fiscal Charges | 400,812 | 400,812 | 515,489 | 515,489 |
| Total Expenses | \$59,579,160 | \$54,089,388 | \$57,532,306 | \$52,935,728 |

Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

As one can see, the vast majority of program expenses are not covered by program revenues. Instead, the reliance upon general revenues, including local tax revenues and payments in lieu of taxes for governmental activities, is crucial.

School District's Funds

The School District's major funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources that exceeded expenditures and other financing uses, for an overall increase in fund balance from the prior fiscal year. The general fund reported an increase in fund balance due to higher revenues offset partially by an increase in expenditures. The increase in revenues is primarily due to an increase in property tax revenues due to the new 6.98 mill operating levy that the School District began collecting in January 2020. Fiscal year 2021 was the first full year of collections for the new levy.

General Fund Budgeting Highlights

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

During the course of fiscal year 2021, the School District amended its general fund budget numerous times. Budget revisions are presented to the Board of Education for approval.

For the general fund, the final budget basis revenue estimate was higher than the original budget estimate. The change was attributed mainly to changes in estimates for property taxes and intergovernmental revenue, as funding levels became more apparent.

The final budget appropriations were lower than the original budget appropriations of the general fund. This change was attributable to adjustments to both instruction as well as support service expenditures, as a more accurate picture of the fiscal year was realized.

Capital Assets and Debt Administration

Capital Assets

All capital assets, except land, are reported net of depreciation. Capital assets increased during fiscal year 2021 as a result of current additions outpacing current deletions and depreciation. Additions to capital assets included, but were not limited to, school roofing, stadium turf replacement, technology equipment and three new trucks for the maintenance department. For more information on capital assets refer to Note 9 of the basic financial statements.

Debt Administration

During fiscal year 2014, the School District issued \$729,744 in bonds, the proceeds of which were used to finance the installation, modification and remodeling of buildings to conserve energy.

During fiscal year 2015, the School District issued \$10,485,000 in bonds to partially refund the 2006 refunding bonds, as well as \$4,490,000 in bonds to refund the serial bond portion of the 2009 athletic facilities bonds.

During fiscal year 2017, the School District issued \$9,805,000 in bonds to refund the serial portion of the 2006 refunding bonds.

Nordonia Hills City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Principal retirement for these bonds totaled \$2,641,909 during fiscal year 2021.

See Note 13 to the basic financial statements for additional information related to long-term debt activity, including the repayment schedules of the bonded debt.

The School District's overall legal debt margin was \$89,084,741 with an unvoted debt margin of \$1,139,271 as of June 30, 2021.

Current Issues Affecting Financial Condition

The Board of Education and administration closely monitor the revenues and expenditures in tandem with the five-year financial forecast. The School District, like many other districts across Ohio, is financially challenged and subject to the State's biennial budget process. Beginning in fiscal year 2022, School District foundation funding received from the state of Ohio will be funded using a direct funding model. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each School District. At the local level, 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 administration remains vigilant in monitoring the finances and prudently plans to provide the financial resources to meet the students' needs over the next several years. The voters approved a 6.98 mill operating tax levy for a continuing period of time which is expected to generate approximately \$7 million annually that began collections in January 2020. In October 2021, the School District reached a tax valuation settlement agreement with a large business within the School District's boundaries. The first settlement payout was received in October 2021 and subsequent payouts totaling approximately \$11,328,000 will be received through March of 2026.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Matt Brown, Treasurer/CFO, at Nordonia Hills City School District, 9370 Olde Eight Road, Northfield, Ohio 44067.

Basic Financial Statements

Nordonia Hills City School District
Statement of Net Position
June 30, 2021

| | Governmental Activities |
|---|----------------------------|
| Assets | |
| Equity in Pooled Cash and Cash Equivalents | \$17,042,098 |
| Inventory Held for Resale | 6,163 |
| Materials and Supplies Inventory | 147,334 |
| Accrued Interest Receivable | 11,745 |
| Accounts Receivable | 3,611 |
| Intergovernmental Receivable | 878,927 |
| Prepaid Items | 51,467 |
| Property Taxes Receivable | 42,312,157 |
| Payments in Lieu of Taxes Receivable | 1,932,950 |
| Nondepreciable Capital Assets | 155,558 |
| Depreciable Capital Assets, Net | 30,343,365 |
| Net OPEB Asset (See Note 11) | 3,011,777 |
| <i>Total Assets</i> | 95,897,152 |
| Deferred Outflows of Resources | |
| Deferred Charge on Refunding | 347,204 |
| Pension | 10,312,442 |
| OPEB | 1,815,311 |
| Asset Retirement Obligation | 25,200 |
| <i>Total Deferred Outflows of Resources</i> | 12,500,157 |
| Liabilities | |
| Accounts Payable | 486,050 |
| Accrued Wages and Benefits | 4,245,152 |
| Intergovernmental Payable | 1,077,674 |
| Accrued Interest Payable | 40,361 |
| Matured Compensated Absences Payable | 78,716 |
| Long-Term Liabilities: | |
| Due Within One Year | 3,040,644 |
| Due In More Than One Year: | |
| Net Pension Liability (See Note 10) | 56,121,181 |
| Net OPEB Liability (See Note 11) | 4,917,488 |
| Other Amounts | 17,894,045 |
| <i>Total Liabilities</i> | 87,901,311 |
| Deferred Inflows of Resources | |
| Property Taxes | 37,054,683 |
| Payments in Lieu of Taxes | 1,932,950 |
| Deferred Gain on Refunding | 109,848 |
| Pension | 555,184 |
| OPEB | 6,264,743 |
| <i>Total Deferred Inflows of Resources</i> | 45,917,408 |
| Net Position | |
| Net Investment in Capital Assets | 14,482,729 |
| Restricted for: | |
| Debt Service | 1,877,390 |
| Capital Projects | 32,839 |
| Student Activities | 302,758 |
| Instruction | 699,565 |
| Non-Instructional Services | 2,474 |
| Unclaimed Monies | 21,693 |
| Other Purposes | 64,363 |
| Unrestricted (Deficit) | (42,905,221) |
| <i>Total Net Position</i> | (\$25,421,410) |

See accompanying notes to the basic financial statements

Nordonia Hills City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2021

| | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | |
|--|---------------------|--|--------------------------|----------------------------|--|----------------------------|
| | Expenses | Operating Grants, Contributions and Interest | | | | Governmental Activities |
| | | Charges for Services | Capital Contributions | Governmental Activities | | |
| Governmental Activities | | | | | | |
| Instruction: | | | | | | |
| Regular | \$25,250,024 | \$455,686 | \$353,274 | \$0 | (\$24,441,064) | |
| Special | 8,922,887 | 152,911 | 842,780 | 0 | (7,927,196) | |
| Vocational | 350,203 | 5,614 | 14,798 | 0 | (329,791) | |
| Student Intervention Services | 107,035 | 2,053 | 0 | 0 | (104,982) | |
| Support Services: | | | | | | |
| Pupils | 5,530,106 | 88,759 | 758,007 | 0 | (4,683,340) | |
| Instructional Staff | 1,429,048 | 19,500 | 301,156 | 0 | (1,108,392) | |
| Board of Education | 38,320 | 735 | 0 | 0 | (37,585) | |
| Administration | 3,394,406 | 62,100 | 5,000 | 0 | (3,327,306) | |
| Fiscal | 1,600,811 | 29,381 | 0 | 0 | (1,571,430) | |
| Business | 343,402 | 6,442 | 0 | 0 | (336,960) | |
| Operation and Maintenance of Plant | 5,150,407 | 102,763 | 181,462 | 41,897 | (4,824,285) | |
| Pupil Transportation | 3,584,347 | 66,923 | 98,258 | 0 | (3,419,166) | |
| Central | 426,560 | 6,812 | 10,800 | 0 | (408,948) | |
| Operation of Non-Instructional Services | 460,243 | 0 | 471,963 | 0 | 11,720 | |
| Food Service Operations | 1,048,789 | 118,669 | 655,620 | 0 | (274,500) | |
| Extracurricular Activities | 1,541,760 | 613,006 | 23,403 | 0 | (905,351) | |
| Interest and Fiscal Charges | 400,812 | 0 | 0 | 0 | (400,812) | |
| Totals | \$59,579,160 | \$1,731,354 | \$3,716,521 | \$41,897 | (54,089,388) | |
| General Revenues | | | | | | |
| Property Taxes Levied for: | | | | | | |
| General Purposes | | | | | 39,976,258 | |
| Debt Service | | | | | 2,972,345 | |
| Payments in Lieu of Taxes | | | | | 1,924,340 | |
| Grants and Entitlements not Restricted to Specific Programs | | | | | 8,760,292 | |
| Unrestricted Contributions and Donations | | | | | 7,231 | |
| Investment Earnings | | | | | 518,234 | |
| Miscellaneous | | | | | 215,545 | |
| Total General Revenues | | | | | 54,374,245 | |
| Change in Net Position | | | | | 284,857 | |
| <i>Net Position Beginning of Year - Restated (See Note 22)</i> | | | | | <u>(25,706,267)</u> | |
| <i>Net Position End of Year</i> | | | | | <u><u>(\$25,421,410)</u></u> | |

See accompanying notes to the basic financial statements

Nordonia Hills City School District

Balance Sheet

Governmental Funds

June 30, 2021

| | General | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--------------------------------|--------------------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$14,716,967 | \$2,303,438 | \$17,020,405 |
| Restricted Assets: | | | |
| Equity in Pooled Cash and Cash Equivalents | 21,693 | 0 | 21,693 |
| Accounts Receivable | 3,611 | 0 | 3,611 |
| Intergovernmental Receivable | 210,692 | 668,235 | 878,927 |
| Accrued Interest Receivable | 11,745 | 0 | 11,745 |
| Interfund Receivable | 46,684 | 0 | 46,684 |
| Inventory Held for Resale | 0 | 6,163 | 6,163 |
| Materials and Supplies Inventory | 142,456 | 4,878 | 147,334 |
| Property Taxes Receivable | 39,411,787 | 2,900,370 | 42,312,157 |
| Payments in Lieu of Taxes Receivable | 1,932,950 | 0 | 1,932,950 |
| Prepaid Items | 49,942 | 1,525 | 51,467 |
| <i>Total Assets</i> | <u>\$56,548,527</u> | <u>\$5,884,609</u> | <u>\$62,433,136</u> |
| Liabilities | | | |
| Accounts Payable | \$374,872 | \$111,178 | \$486,050 |
| Accrued Wages and Benefits | 4,155,117 | 90,035 | 4,245,152 |
| Intergovernmental Payable | 1,028,382 | 49,292 | 1,077,674 |
| Interfund Payable | 0 | 46,684 | 46,684 |
| Matured Compensated Absences Payable | 78,716 | 0 | 78,716 |
| <i>Total Liabilities</i> | <u>5,637,087</u> | <u>297,189</u> | <u>5,934,276</u> |
| Deferred Inflows of Resources | | | |
| Property Taxes | 34,542,115 | 2,512,568 | 37,054,683 |
| Payments in Lieu of Taxes | 1,932,950 | 0 | 1,932,950 |
| Unavailable Revenue | 514,302 | 626,665 | 1,140,967 |
| <i>Total Deferred Inflows of Resources</i> | <u>36,989,367</u> | <u>3,139,233</u> | <u>40,128,600</u> |
| Fund Balances | | | |
| Nonspendable | 214,091 | 6,403 | 220,494 |
| Restricted | 0 | 2,476,944 | 2,476,944 |
| Committed | 495,649 | 7,459 | 503,108 |
| Assigned | 1,960,427 | 0 | 1,960,427 |
| Unassigned (Deficit) | 11,251,906 | (42,619) | 11,209,287 |
| <i>Total Fund Balances</i> | <u>13,922,073</u> | <u>2,448,187</u> | <u>16,370,260</u> |
| <i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i> | <u>\$56,548,527</u> | <u>\$5,884,609</u> | <u>\$62,433,136</u> |

See accompanying notes to the basic financial statements

Nordonia Hills City School District
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2021*

| | | |
|--|--------------|------------------------------|
| Total Governmental Fund Balances | | \$16,370,260 |
| <i>Amounts reported for governmental activities in the statement of net position are different because:</i> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 30,498,923 |
| Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenues in the funds: | | |
| Delinquent Property Taxes | 340,771 | |
| Intergovernmental | 601,770 | |
| Tuition and Fees | 198,426 | |
| Total | 1,140,967 | 1,140,967 |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | | (40,361) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: | | |
| General Obligation Bonds | (16,253,550) | |
| Compensated Absences | (4,591,139) | |
| Asset Retirement Obligation | (90,000) | |
| Total | (20,934,689) | (20,934,689) |
| Deferred outflows of resources represent deferred amounts on asset retirement obligations. | | 25,200 |
| Deferred outflows of resources represent deferred charges on refundings, which are not reported in the funds. | | 347,204 |
| Deferred inflows of resources represent deferred gains on refundings, which are not reported in the funds. | | (109,848) |
| The net pension and OPEB asset/liabilities are not due and payable in the current period; therefore, the asset/liabilities and related deferred inflows/outflows are not reported in governmental funds: | | |
| Net OPEB Asset | 3,011,777 | |
| Deferred Outflows - Pension | 10,312,442 | |
| Deferred Outflows - OPEB | 1,815,311 | |
| Net Pension Liability | (56,121,181) | |
| Net OPEB Liability | (4,917,488) | |
| Deferred Inflows - Pension | (555,184) | |
| Deferred Inflows - OPEB | (6,264,743) | |
| Total | (52,719,066) | (52,719,066) |
| <i>Net Position of Governmental Activities</i> | | <u>(\$25,421,410)</u> |

See accompanying notes to the basic financial statements

Nordonia Hills City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

| | General | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------------------|--------------------------------|
| Revenues | | | |
| Property Taxes | \$39,989,172 | \$2,973,431 | \$42,962,603 |
| Payments in Lieu of Taxes | 1,924,340 | 0 | 1,924,340 |
| Intergovernmental | 8,804,425 | 3,258,083 | 12,062,508 |
| Interest | 518,234 | 70 | 518,304 |
| Tuition and Fees | 804,755 | 219 | 804,974 |
| Charges for Services | 14,579 | 118,669 | 133,248 |
| Extracurricular Activities | 263,384 | 321,964 | 585,348 |
| Contributions and Donations | 7,231 | 165,579 | 172,810 |
| Rentals | 7,853 | 1,505 | 9,358 |
| Miscellaneous | 215,315 | 230 | 215,545 |
| <i>Total Revenues</i> | <u>52,549,288</u> | <u>6,839,750</u> | <u>59,389,038</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 22,794,329 | 355,716 | 23,150,045 |
| Special | 7,833,292 | 333,948 | 8,167,240 |
| Vocational | 288,879 | 5,180 | 294,059 |
| Student Intervention Services | 107,035 | 0 | 107,035 |
| Support Services: | | | |
| Pupils | 4,552,454 | 604,060 | 5,156,514 |
| Instructional Staff | 1,006,033 | 314,384 | 1,320,417 |
| Board of Education | 38,320 | 0 | 38,320 |
| Administration | 3,176,413 | 5,000 | 3,181,413 |
| Fiscal | 1,531,933 | 48,312 | 1,580,245 |
| Business | 337,848 | 0 | 337,848 |
| Operation and Maintenance of Plant | 5,363,685 | 181,462 | 5,545,147 |
| Pupil Transportation | 3,489,862 | 17,856 | 3,507,718 |
| Central | 355,202 | 10,800 | 366,002 |
| Operation of Non-Instructional Services | 0 | 455,896 | 455,896 |
| Food Service Operations | 0 | 929,583 | 929,583 |
| Extracurricular Activities | 995,221 | 476,512 | 1,471,733 |
| Capital Outlay | 0 | 257,773 | 257,773 |
| Debt Service: | | | |
| Principal Retirement | 0 | 2,641,909 | 2,641,909 |
| Interest and Fiscal Charges | 0 | 542,768 | 542,768 |
| <i>Total Expenditures</i> | <u>51,870,506</u> | <u>7,181,159</u> | <u>59,051,665</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>678,782</u> | <u>(341,409)</u> | <u>337,373</u> |
| Other Financing Sources (Uses) | | | |
| Transfers In | 0 | 327,528 | 327,528 |
| Transfers Out | (327,528) | 0 | (327,528) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(327,528)</u> | <u>327,528</u> | <u>0</u> |
| <i>Net Change in Fund Balances</i> | 351,254 | (13,881) | 337,373 |
| <i>Fund Balances Beginning of Year - Restated (See Note 22)</i> | <u>13,570,819</u> | <u>2,462,068</u> | <u>16,032,887</u> |
| <i>Fund Balances End of Year</i> | <u>\$13,922,073</u> | <u>\$2,448,187</u> | <u>\$16,370,260</u> |

See accompanying notes to the basic financial statements

Nordonia Hills 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, 2021*

| | | |
|--|--------------------|--------------------|
| Net Change in Fund Balances - Total Governmental Funds | | \$337,373 |
| <i>Amounts reported for governmental activities in the statement of activities are different because:</i> | | |
| 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 outlay exceeded depreciation in the current period: | | |
| Capital Outlay | 2,094,679 | |
| Current Year Depreciation | <u>(1,987,072)</u> | |
| Total | | 107,607 |
| Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. | | |
| | | (18,505) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds: | | |
| Delinquent Property Taxes | (14,000) | |
| Intergovernmental | 290,553 | |
| Tuition and Fees | <u>198,426</u> | |
| Total | | 474,979 |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | | |
| | | 2,641,909 |
| 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: | | |
| Accrued Interest | 9,740 | |
| Amortization of Bond Premium | 170,177 | |
| Amortization of Accounting Loss | (62,372) | |
| Amortization of Accounting Gain | <u>24,411</u> | |
| Total | | 141,956 |
| 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 | (492,818) | |
| Asset Retirement Obligation | <u>(64,800)</u> | |
| Total | | (557,618) |
| Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows: | | |
| Pension | 4,190,916 | |
| OPEB | <u>144,147</u> | |
| Total | | 4,335,063 |
| Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB asset/liabilities are reported as pension/OPEB expense in the statement of activities: | | |
| Pension | (7,257,474) | |
| OPEB | <u>79,567</u> | |
| Total | | <u>(7,177,907)</u> |
| <i>Change in Net Position of Governmental Activities</i> | | <u>\$284,857</u> |

See accompanying notes to the basic financial statements

Nordonia Hills City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property Taxes | \$37,999,873 | \$38,928,908 | \$38,928,908 | \$0 |
| Payments in Lieu of Taxes | 1,924,340 | 1,924,340 | 1,924,340 | 0 |
| Intergovernmental | 8,760,185 | 8,964,034 | 8,964,034 | 0 |
| Interest | 585,096 | 598,711 | 598,722 | 11 |
| Tuition and Fees | 807,719 | 826,515 | 805,881 | (20,634) |
| Charges for Services | 14,248 | 14,579 | 14,579 | 0 |
| Extracurricular Activities | 265,686 | 271,606 | 260,264 | (11,342) |
| Contributions and Donations | 1,490 | 1,525 | 1,525 | 0 |
| Rentals | 8,335 | 7,365 | 7,853 | 488 |
| Miscellaneous | 243,818 | 249,491 | 252,594 | 3,103 |
| <i>Total Revenues</i> | <u>50,610,790</u> | <u>51,787,074</u> | <u>51,758,700</u> | <u>(28,374)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 23,151,447 | 22,654,970 | 22,626,298 | 28,672 |
| Special | 8,735,179 | 8,538,188 | 8,399,212 | 138,976 |
| Vocational | 286,999 | 280,527 | 280,221 | 306 |
| Student Intervention Services | 109,543 | 107,073 | 107,035 | 38 |
| Support Services: | | | | |
| Pupils | 4,672,756 | 4,567,379 | 4,548,195 | 19,184 |
| Instructional Staff | 1,078,334 | 1,054,016 | 1,026,287 | 27,729 |
| Board of Education | 39,992 | 39,090 | 38,997 | 93 |
| Administration | 3,269,480 | 3,195,749 | 3,191,490 | 4,259 |
| Fiscal | 1,630,646 | 1,545,001 | 1,542,042 | 2,959 |
| Business | 349,616 | 341,731 | 341,098 | 633 |
| Operation and Maintenance of Plant | 5,749,249 | 5,619,595 | 5,522,555 | 97,040 |
| Pupil Transportation | 4,319,214 | 4,221,810 | 4,190,100 | 31,710 |
| Central | 383,604 | 374,953 | 374,679 | 274 |
| Extracurricular Activities | 970,751 | 949,111 | 939,305 | 9,806 |
| <i>Total Expenditures</i> | <u>54,746,810</u> | <u>53,489,193</u> | <u>53,127,514</u> | <u>361,679</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (4,136,020) | (1,702,119) | (1,368,814) | 333,305 |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (327,528) | (327,528) | (327,528) | 0 |
| <i>Net Change in Fund Balance</i> | (4,463,548) | (2,029,647) | (1,696,342) | 333,305 |
| <i>Fund Balance Beginning of Year</i> | 13,932,390 | 13,932,390 | 13,932,390 | 0 |
| Prior Year Encumbrances Appropriated | 1,205,548 | 1,205,548 | 1,205,548 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$10,674,390</u> | <u>\$13,108,291</u> | <u>\$13,441,596</u> | <u>\$333,305</u> |

See accompanying notes to the basic financial statements

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1 – Description of the School District and Reporting Entity

The Nordonia Hills City School District (School District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government. Each member is elected to a four-year term. The School District provides educational services as mandated by State and/or Federal agencies. The Board controls the School District's six instructional/support facilities staffed by 208 non-certificated employees and 253 certificated teaching and support personnel, plus 17 administrators that provide services to 3,381 students and other community members.

Reporting Entity

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

Non-Public Schools Within the School District boundaries, there are various non-public schools. Current State legislature provides funding to these non-public schools. These monies are received and disbursed on behalf of the non-public schools by the Treasurer/CFO of the School District, as directed by the non-public school. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The School District does not have any component units.

The School District is associated with three jointly governed organizations and one shared risk pool. These organizations include the Northeast Ohio Network for Educational Technology, the Ohio Schools Council, the Cuyahoga Valley Career Center, and the Stark County Schools Council of Governments Health Benefits Plan. Information regarding these organizations is presented in Notes 14 and 15 to the basic financial statements.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the School 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 entity for establishing governmental accounting and financial reporting principles. Following are the more significant of the School District's accounting policies.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

The statement of net position presents the financial condition of the governmental activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental activity is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are governmental.

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

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

The other governmental funds of the School District account for grants and other resources whose uses are restricted, committed, or assigned to a particular purpose.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Measurement Focus

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

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources and in the presentation of expenses versus expenditures.

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

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

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

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate 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 School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, asset retirement obligations and pension and OPEB plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11, respectively.

In addition to liabilities, the statements of financial position report 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 until that time. For the School District, deferred inflows of resources includes gain on refunding, property taxes, payments in lieu of taxes, pension and OPEB plans, and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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 School District, unavailable revenue includes delinquent property taxes, intergovernmental grants and tuition and fees. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 17. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 10 and 11).

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the operating statement as an expenditure with a like amount reported as intergovernmental revenue. Unused donated commodities are reported as inventory held for resale.

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.

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the basic financial statements.

During fiscal year 2021, investments were limited to STAR Ohio, First American Treasury Obligations funds, commercial paper, Federal Home Loan Mortgage Corporation notes, Federal Farm Credit Bank notes, U.S. Treasury notes and negotiable certificates of deposit.

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

Except for nonparticipating investment contracts, first American treasury obligations funds and STAR Ohio, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The School District's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. The School District measures its investments in the First American Treasury Obligations funds at the net asset value (NAV) per share provided by First American Funds.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during the fiscal year 2021 amounted to \$518,234, which included \$69,985 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are reported as cash equivalents.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Inventory

Materials and supplies inventory is reported at cost, while inventory held for resale is presented at the lower of cost or market value, and donated commodities are presented at their entitlement value. Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food held for resale.

Deferred Charge/Gain on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources or deferred inflows of resources on the statement of net position.

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

Capital Assets

All capital assets of the School District are classified as general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. 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.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of capital assets by back trending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except land, 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:

| <u>Description</u> | <u>Estimated Lives</u> |
|----------------------------|------------------------|
| Buildings and Improvements | 10 - 50 Years |
| Furniture and Equipment | 5 - 20 Years |
| Vehicles | 5 - 10 Years |

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental activities column of the statement of net position.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employee who has accumulated unpaid leave is paid.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds; however, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Bond Premiums

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are reported in the year the bonds are issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or by State statute. State statute authorizes the Treasurer to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated. The School District Board of Education also assigned fund balance to cover a gap between fiscal year 2022's estimated revenue and appropriated budget and for extracurricular activities.

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.

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for local grants.

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

Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or the laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the general fund include the amounts for unclaimed monies.

Estimates

The preparation of the 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.

Internal Activity

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

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

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

Budgetary Data

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds. Budgetary modifications at this level require a resolution of the Board of Education. The Treasurer has been given authority to allocate Board appropriations to the function and object levels within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District's Treasurer. The amounts reported in the budgetary statement as the original and final budgeted amounts reflect the amounts in the amended certificate in effect when the original and 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 resolution for the funds that covered the entire fiscal year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed during the year, including all supplemental appropriations.

Pensions/Other Postemployment Benefits (OPEB)

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

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 3 – Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual 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:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Investments are reported at fair value (GAAP) rather than cost (budget basis).
3. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
4. Budgetary revenues and expenditures of the public school support fund are reclassified to the general fund for GAAP reporting.
5. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed, or assigned fund balance (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

| Net Change in Fund Balance | |
|---|-----------------------------|
| GAAP Basis | \$351,254 |
| Net Adjustment for Revenue Accruals | (831,334) |
| Beginning Fair Value Adjustment | 101,794 |
| Ending Fair Value Adjustment | (37,042) |
| Net Adjustment for Expenditure Accruals | (118,995) |
| Perspective Difference: | |
| Public School Support | 17,983 |
| Adjustment for Encumbrances | <u>(1,180,002)</u> |
| Budget Basis | <u><u>(\$1,696,342)</u></u> |

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

Note 4 – Fund Balances

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

| Fund Balances | General | Other Governmental Funds | Total |
|----------------------------------|----------------------------|--------------------------------|----------------------------|
| <u>Nonspendable:</u> | | | |
| Unclaimed Monies | \$21,693 | \$0 | \$21,693 |
| Materials and Supplies Inventory | 142,456 | 4,878 | 147,334 |
| Prepays | 49,942 | 1,525 | 51,467 |
| <i>Total Nonspendable</i> | <u>214,091</u> | <u>6,403</u> | <u>220,494</u> |
| <u>Restricted for:</u> | | | |
| Debt Service | 0 | 1,892,615 | 1,892,615 |
| Capital Projects | 0 | 32,839 | 32,839 |
| Food Service | 0 | 40,878 | 40,878 |
| Student Activities | 0 | 302,758 | 302,758 |
| Instruction | 0 | 205,380 | 205,380 |
| Non-Instructional Services | 0 | 2,474 | 2,474 |
| <i>Total Restricted</i> | <u>0</u> | <u>2,476,944</u> | <u>2,476,944</u> |
| <u>Committed to:</u> | | | |
| High School Book Store | 0 | 7,459 | 7,459 |
| Transportation Services | 349,639 | 0 | 349,639 |
| ESC Services | 102,203 | 0 | 102,203 |
| Legal Services | 8,374 | 0 | 8,374 |
| Other Services | 35,433 | 0 | 35,433 |
| <i>Total Committed</i> | <u>495,649</u> | <u>7,459</u> | <u>503,108</u> |
| <u>Assigned to:</u> | | | |
| Fiscal Year 2022 Operations | 1,727,501 | 0 | 1,727,501 |
| Public School Support | 126,384 | 0 | 126,384 |
| Purchases on Order: | | | |
| Instruction Services | 59,934 | 0 | 59,934 |
| Support Services | 41,148 | 0 | 41,148 |
| Extracurricular Activities | 5,460 | 0 | 5,460 |
| <i>Total Assigned</i> | <u>1,960,427</u> | <u>0</u> | <u>1,960,427</u> |
| Unassigned (Deficit) | <u>11,251,906</u> | <u>(42,619)</u> | <u>11,209,287</u> |
| Total Fund Balances | <u>\$13,922,073</u> | <u>\$2,448,187</u> | <u>\$16,370,260</u> |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 5 – Accountability and Compliance

Accountability

At June 30, 2021, the following funds had deficit fund balances:

| | <u>Amount</u> |
|---|---------------|
| <i>Other Governmental Funds:</i> | |
| Title VI-B | \$28,010 |
| Reducing Class Size | 12,693 |
| Miscellaneous Federal Grants | 1,916 |

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the General Fund needed for operations until the receipt of grant monies. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Compliance

The School District had negative cash balances of \$501, \$42,203 and \$3,980, respectively, in the elementary and secondary school emergency relief, Title VI-B and Title I special revenue funds indicating that revenue from other sources were used to pay obligations of these funds contrary to Ohio Revised Code Section 5705.10.

Note 6 – Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

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

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed previously provided 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 be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this divisions are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

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

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2021, \$1,956,533 of the School District's bank balance of \$7,045,369 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The School District's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 60 percent, resulting in the uninsured and uncollateralized balance.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

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

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

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

Investments

Investments are reported at fair value. As of June 30, 2021, the School District had the following investments:

| Measurement/Investment | Measurement Amount | Maturity | Standard & Poor's Rating | Percent of Total Investments |
|--|-----------------------|----------------------|--------------------------------|------------------------------------|
| Net Asset Value Per Share: | | | | |
| STAR Ohio | 589,732 | Average 54.4 days | AAAm | N/A |
| First American Treasury Obligations Fund | 2,706 | Less than one year | AAAm | N/A |
| Total Net Asset Value Per Share | <u>\$592,438</u> | | | |
| Amortized Cost: | | | | |
| Commercial Paper | <u>3,787,888</u> | Less than one year | A-1+ or A-1 | 35.13 % |
| Fair Value - Level Two Inputs: | | | | |
| Federal Home Loan Mortgage Corporation Notes | | | | |
| Corporation Notes | 2,095,387 | Less than five years | AA+ | 19.43 |
| Federal Farm Credit Bank Notes | 1,199,423 | Less than four years | AA+ | 11.12 |
| U.S. Treasury Notes | 349,412 | Less than three year | AA+ | N/A |
| Negotiable Certificates of Deposit | <u>2,758,599</u> | Less than four years | N/A | 25.58 |
| Total Investments | <u>\$10,783,147</u> | | | |

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The preceding chart identifies the School District's recurring fair value measurements as of June 30, 2021. STAR Ohio and First American Treasury Obligations funds are measured at net asset value per share. Commercial paper is measured at amortized cost. The School District's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District and that investment must be purchased with the expectation that it will be held to maturity.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Credit Risk Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

Concentration of Credit Risk This type of risk is defined by the Governmental Accounting Standards Board as having investments of five percent or more in the securities of a single issuer. The School District's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations.

Note 7 – Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed value listed as of January 1, 2020, 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 year 2021 represents collections of calendar year 2020 taxes. Public utility real and tangible personal property taxes received in calendar year 2021 became a lien December 31, 2019, were levied after April 1, 2020 and are collected in calendar year 2021 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.

The School District receives property taxes from Summit County. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2021, are available to finance fiscal year 2021 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes, which are measurable as of June 30, 2021, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources – property taxes.

The amount available as an advance at June 30, 2021, was \$4,554,037 in the general fund and \$362,666 in the bond retirement debt service fund. The amount available as an advance at June 30, 2020, was \$3,493,773 in the general fund and \$278,842 in the bond retirement debt service fund. The difference was in the timing and collection by the County Fiscal Officer.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

The assessed values upon which the fiscal year 2021 taxes were collected are:

| | 2020 Second- Half Collections | | 2021 First- Half Collections | |
|---|----------------------------------|----------|---------------------------------|----------|
| | Amount | Percent | Amount | Percent |
| Real Estate | \$980,872,630 | 95.81 % | \$1,094,826,470 | 96.02 % |
| Public Utility Personal Property | 42,925,940 | 4.19 | 45,348,840 | 3.98 |
| | \$1,023,798,570 | 100.00 % | \$1,140,175,310 | 100.00 % |
| Tax rate per \$1,000 of assessed valuation | \$75.43 | | \$75.12 | |

Note 8 – Receivables

Receivables at June 30, 2021, consisted of taxes, payments in lieu of taxes, accrued interest, accounts (tuition and excess costs), and intergovernmental grants and entitlements. 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. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

| Governmental Activities | Amounts |
|--|-----------|
| Title VI-B Grant | \$564,628 |
| School Finance Payment Report Adjustments | 198,667 |
| Reducing Class Size Grant | 38,472 |
| Miscellaneous Federal Grants | 28,369 |
| Elementary and Secondary School Emergency Relief Grant | 19,822 |
| Title I | 16,944 |
| Motor Fuel Tax Refund | 12,025 |
| Total | \$878,927 |

Payments in Lieu of Taxes

The School District is party to Tax Increment Financing (TIF) agreements. Municipalities, townships, and counties can enter into TIF agreements which lock in real property at its unimproved value for up to 30 years in a defined TIF district. Some TIF agreements also require the TIF government to allocate service payments to school districts and other governments to help offset the property taxes these governments would have received had the improvements to real property not been exempted. The service payments that the School District receives as part of TIF agreements are presented on the financial statements as Payments in Lieu of Taxes.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 9 – Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

| | Balance 6/30/2020 | Additions | Deletions | Balance 6/30/2021 |
|--|----------------------|----------------------|-------------------|----------------------|
| Governmental Activities | | | | |
| <i>Capital Assets, not being depreciated:</i> | | | | |
| Land | \$155,558 | \$0 | \$0 | \$155,558 |
| <i>Capital Assets, being depreciated:</i> | | | | |
| Buildings and Improvements | 56,040,581 | 885,346 | 0 | 56,925,927 |
| Furniture and Equipment | 5,089,075 | 1,045,167 | (28,440) | 6,105,802 |
| Vehicles | 695,578 | 164,166 | (80,834) | 778,910 |
| <i>Total Capital Assets, being depreciated</i> | <u>61,825,234</u> | <u>2,094,679</u> | <u>(109,274)</u> | <u>63,810,639</u> |
| <i>Less Accumulated Depreciation:</i> | | | | |
| Buildings and Improvements | (27,532,733) | (1,272,979) | 0 | (28,805,712) |
| Furniture and Equipment | (3,356,952) | (664,129) | 9,935 | (4,011,146) |
| Vehicles | (681,286) | (49,964) | 80,834 | (650,416) |
| <i>Total Accumulated Depreciation</i> | <u>(31,570,971)</u> | <u>(1,987,072) *</u> | <u>90,769</u> | <u>(33,467,274)</u> |
| Total Capital Assets, being depreciated, net | <u>30,254,263</u> | <u>107,607</u> | <u>(18,505)</u> | <u>30,343,365</u> |
| Governmental Activities Capital Assets, Net | <u>\$30,409,821</u> | <u>\$107,607</u> | <u>(\$18,505)</u> | <u>\$30,498,923</u> |

* Depreciation expense was charged to governmental functions as follows:

| | |
|---|--------------------|
| Instruction: | |
| Regular | \$1,166,248 |
| Special | 51,142 |
| Vocational | 29,947 |
| Support Services: | |
| Pupils | 14,678 |
| Instructional Staff | 48,557 |
| Administration | 18,966 |
| Business | 1,779 |
| Operation and Maintenance of Plant | 477,059 |
| Pupil Transportation | 11,829 |
| Central | 60,558 |
| Operation of Non-Instructional Services | 4,347 |
| Food Service Operations | 44,544 |
| Extracurricular Activities | 57,418 |
| Total Depreciation Expense | <u>\$1,987,072</u> |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10 – Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability (Asset)

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

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 11 for the required OPEB disclosures.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

School Employees Retirement System (SERS)

Plan Description – School 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, 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 years 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.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. In 2020, the Board of Trustees approved a 0.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2021.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School 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, 2021, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2021, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District’s contractually required contribution to SERS was \$1,091,997 for fiscal year 2021. Of this amount \$113,456 is reported as an intergovernmental payable.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

State Teachers Retirement System (STRS)

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple employer public employee 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 is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients’ base benefit and past cost-of living increases are not affected by this change. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five year of service credit and age 65, or 35 years of service credit and at least age 60.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 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, 12 percent of the 14 percent member rate is deposited into the member’s DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty and after termination of employment.

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.

Nordonia Hills City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021

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. New members 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. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

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 fiscal year 2021 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2021, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$3,098,919 for fiscal year 2021. Of this amount \$495,957 is reported as an intergovernmental payable.

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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|---------------------|---------------------|--------------|
| Proportion of the Net Pension Liability: | | | |
| Current Measurement Date | 0.22158960% | 0.17136726% | |
| Prior Measurement Date | <u>0.22630770%</u> | <u>0.17208322%</u> | |
| Change in Proportionate Share | <u>-0.00471810%</u> | <u>-0.00071596%</u> | |
| Proportionate Share of the Net Pension Liability | \$14,656,402 | \$41,464,779 | \$56,121,181 |
| Pension Expense | \$1,785,219 | \$5,472,255 | \$7,257,474 |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|---------------------------|---------------------------|----------------------------|
| Deferred Outflows of Resources | | | |
| Differences between expected and actual experience | \$28,469 | \$93,036 | \$121,505 |
| Changes of assumptions | 0 | 2,225,858 | 2,225,858 |
| Net difference between projected and actual earnings on pension plan investments | 930,384 | 2,016,437 | 2,946,821 |
| Changes in proportionate Share and difference between School District contributions and proportionate share of contributions | 60,947 | 766,395 | 827,342 |
| School District contributions subsequent to the measurement date | <u>1,091,997</u> | <u>3,098,919</u> | <u>4,190,916</u> |
| Total Deferred Outflows of Resources | <u><u>\$2,111,797</u></u> | <u><u>\$8,200,645</u></u> | <u><u>\$10,312,442</u></u> |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual experience | \$0 | \$265,139 | \$265,139 |
| Difference between School District contributions and proportionate share of contributions | <u>175,379</u> | <u>114,666</u> | <u>290,045</u> |
| Total Deferred Inflows of Resources | <u><u>\$175,379</u></u> | <u><u>\$379,805</u></u> | <u><u>\$555,184</u></u> |

\$4,190,916 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|-----------------------------|-------------------------|---------------------------|---------------------------|
| Fiscal Year Ending June 30: | | | |
| 2022 | (\$50,349) | \$1,780,476 | \$1,730,127 |
| 2023 | 215,677 | 843,870 | 1,059,547 |
| 2024 | 387,805 | 1,210,541 | 1,598,346 |
| 2025 | <u>291,288</u> | <u>887,034</u> | <u>1,178,322</u> |
| Total | <u><u>\$844,421</u></u> | <u><u>\$4,721,921</u></u> | <u><u>\$5,566,342</u></u> |

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.

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

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, 2020, are presented below:

| | |
|--|---|
| Inflation | 3.00 percent |
| Future Salary Increases, including inflation | 3.50 percent to 18.20 percent |
| COLA or Ad Hoc COLA | 2.5 percent |
| Investment Rate of Return | 7.50 percent net of investment expense, including inflation |
| Actuarial Cost Method | Entry Age Normal (Level Percent of Payroll) |

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in 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 an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalanced uncorrelated asset classes.

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------|-------------------|--|
| Cash | 2.00 % | 1.85 % |
| US Stocks | 22.50 | 5.75 |
| Non-US Stocks | 22.50 | 6.50 |
| Fixed Income | 19.00 | 2.85 |
| Private Equity | 12.00 | 7.60 |
| Real Assets | 17.00 | 6.60 |
| Multi-Asset Strategies | 5.00 | 6.65 |
| Total | <u>100.00 %</u> | |

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

Discount Rate The total pension liability was calculated using the discount rate of 7.50 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 earnings were calculated using the long-term assumed investment rate of return (7.50 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 School 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 7.50 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 (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

| | 1% Decrease (6.50%) | Current Discount Rate (7.50%) | 1% Increase (8.50%) |
|--|------------------------|-------------------------------------|------------------------|
| School District's proportionate share of the net pension liability | \$20,077,482 | \$14,656,402 | \$10,108,014 |

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation are presented below:

| | |
|--------------------------------------|--|
| Inflation | 2.50 percent |
| Projected salary increases | 12.50 percent at age 20 to 2.50 percent at age 65 |
| Investment Rate of Return | 7.45 percent, net of investment expenses, including inflation |
| Discount Rate of Return | 7.45 percent |
| Payroll Increases | 3 percent |
| Cost-of-Living Adjustments (COLA) | 0.0 percent, effective July 1, 2017 |

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

Actuarial assumptions used in the July 1 2020, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Nordonia Hills City School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021*

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

| Asset Class | Target Allocation | Long-Term Expected Rate of Return * |
|----------------------|-------------------|-------------------------------------|
| Domestic Equity | 28.00 % | 7.35 % |
| International Equity | 23.00 | 7.55 |
| Alternatives | 17.00 | 7.09 |
| Fixed Income | 21.00 | 3.00 |
| Real Estate | 10.00 | 6.00 |
| Liquidity Reserves | 1.00 | 2.25 |
| | | |
| Total | <u>100.00 %</u> | |

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

Discount Rate The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the School 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 (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

| | 1% Decrease (6.45%) | Current Discount Rate (7.45%) | 1% Increase (8.45%) |
|--|------------------------|-------------------------------------|------------------------|
| School District's proportionate share of the net pension liability | \$59,038,627 | \$41,464,779 | \$26,572,407 |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 11 – Defined Benefit OPEB Plans

See Note 10 for a description of the net OPEB liability (asset).

School Employees Retirement System (SERS)

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

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. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. 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 2021, the School District's surcharge obligation was \$144,147.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$144,147 for fiscal year 2021. Of this amount \$144,147 is reported as an intergovernmental payable.

Nordonia Hills City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021

State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2021, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|---------------------------------------|---------------------|---------------------|---------------|
| Proportion of the Net OPEB Liability: | | | |
| Current Measurement Date | 0.22626550% | 0.17136726% | |
| Prior Measurement Date | <u>0.23151740%</u> | <u>0.17208322%</u> | |
| Change in Proportionate Share | <u>-0.00525190%</u> | <u>-0.00071596%</u> | |
| Proportionate Share of the: | | | |
| Net OPEB Liability | \$4,917,488 | \$0 | \$4,917,488 |
| Net OPEB (Asset) | \$0 | (\$3,011,777) | (\$3,011,777) |
| OPEB Expense | \$45,661 | (\$125,228) | (\$79,567) |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | SERS | STRS | Total |
|--|--------------------|--------------------|--------------------|
| Deferred Outflows of Resources | | | |
| Differences between expected and actual experience | \$64,586 | \$192,980 | \$257,566 |
| Changes of assumptions | 838,261 | 49,717 | 887,978 |
| Net difference between projected and actual earnings on OPEB plan investments | 55,408 | 105,550 | 160,958 |
| Changes in proportionate Share and difference between School District contributions and proportionate share of contributions | 175,843 | 188,819 | 364,662 |
| School District contributions subsequent to the measurement date | 144,147 | 0 | 144,147 |
| Total Deferred Outflows of Resources | <u>\$1,278,245</u> | <u>\$537,066</u> | <u>\$1,815,311</u> |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual experience | \$2,500,888 | \$599,902 | \$3,100,790 |
| Changes of assumptions | 123,860 | 2,860,682 | 2,984,542 |
| Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions | 178,412 | 999 | 179,411 |
| Total Deferred Inflows of Resources | <u>\$2,803,160</u> | <u>\$3,461,583</u> | <u>\$6,264,743</u> |

\$144,147 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase to the net OPEB asset in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| | SERS | STRS | Total |
|-----------------------------|----------------------|----------------------|----------------------|
| Fiscal Year Ending June 30: | | | |
| 2022 | (\$327,050) | (\$723,881) | (\$1,050,931) |
| 2023 | (323,042) | (652,436) | (975,478) |
| 2024 | (323,694) | (627,374) | (951,068) |
| 2025 | (322,447) | (640,830) | (963,277) |
| 2026 | (267,476) | (134,296) | (401,772) |
| Thereafter | (105,353) | (145,700) | (251,053) |
| Total | <u>(\$1,669,062)</u> | <u>(\$2,924,517)</u> | <u>(\$4,593,579)</u> |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2020, are presented below:

| | |
|--|---|
| Inflation | 3.00 percent |
| Wage Increases | 3.50 percent to 18.20 percent |
| Investment Rate of Return | 7.50 percent net of investment expense, including inflation |
| Municipal Bond Index Rate: | |
| Measurement Date | 2.45 percent |
| Prior Measurement Date | 3.13 percent |
| Single Equivalent Interest Rate, net of plan investment expense, including price inflation | |
| Measurement Date | 2.63 percent |
| Prior Measurement Date | 3.22 percent |
| Medical Trend Assumption | |
| Medicare | 5.25 to 4.75 percent |
| Pre-Medicare | 7.00 to 4.75 percent |

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis

Nordonia Hills City School District

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in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 10.

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63 percent. The discount rate used to measure total OPEB liability at June 30, 2019, was 3.22 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024, and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45 percent, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) and higher (3.63%) than the current discount rate (2.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate.

| | 1% Decrease (1.63%) | Current Discount Rate (2.63%) | 1% Increase (3.63%) |
|--|------------------------|-------------------------------------|------------------------|
| School District's proportionate share of the net OPEB liability | \$6,018,885 | \$4,917,488 | \$4,041,882 |

| | 1% Decrease (6.00 % decreasing to 3.75%) | Current Trend Rate (7.00 % decreasing to 4.75%) | 1% Increase (8.00 % decreasing to 5.75%) |
|--|--|--|--|
| School District's proportionate share of the net OPEB liability | \$3,872,149 | \$4,917,488 | \$6,315,378 |

Nordonia Hills City School District
Notes to the Basic Financial Statements
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Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation are presented below:

| | |
|----------------------------|--|
| Projected salary increases | 12.50 percent at age 20 to 2.50 percent at age 65 |
| Investment Rate of Return | 7.45 percent, net of investment expenses, including inflation |
| Payroll Increases | 3 percent |
| Discount Rate of Return | 7.45 percent |
| Health Care Cost Trends | |
| Medical | |
| Pre-Medicare | 5.00 percent initial, 4 percent ultimate |
| Medicare | -6.69 percent initial, 4 percent ultimate |
| Prescription Drug | |
| Pre-Medicare | 6.50 percent initial, 4 percent ultimate |
| Medicare | 11.87 initial, 4 percent ultimate |

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

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

Actuarial assumptions used in the June 30, 2020, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 10.

Discount Rate The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was used to measure the total OPEB liability as of June 30, 2020.

Nordonia Hills City School District

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Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2020, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

| | <u>1% Decrease (6.45%)</u> | <u>Current Discount Rate (7.45%)</u> | <u>1% Increase (8.45%)</u> |
|---|--------------------------------|--|--------------------------------|
| School District's proportionate share of the net OPEB asset | (\$2,620,442) | (\$3,011,777) | (\$3,343,811) |

| | <u>1% Decrease</u> | <u>Current Trend Rate</u> | <u>1% Increase</u> |
|---|--------------------|-------------------------------|--------------------|
| School District's proportionate share of the net OPEB asset | (\$3,323,200) | (\$3,011,777) | (\$2,632,417) |

Note 12 – Other Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn 5 to 20 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 and administrators, who are not on a 12 month contract, do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to 260 days. Upon retirement, payment is made to certificated staff for one-fourth of the total sick leave accumulation, up to a maximum specified in the negotiated agreement. For classified staff, exempt employees, and administrators, payment is made for one-third of the total sick leave accumulation, up to a maximum specified in the negotiated agreement or administrative guidelines.

Health Insurance Benefits

The School District provides employee medical/surgical benefits through Stark County Schools Council of Governments' shared risk pool. Rates are set through an annual calculation process. The School District pays a monthly contribution to a common fund from which claim payments are made for all participating school districts. The employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. Dental and vision insurance are also provided by the School District to all employees through the Stark County Schools Council of Governments. Upon termination, all School District claims would be paid without regard to the School District's account balance.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Life Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through a major life insurance company in the amount of \$50,000 for all noncertified and certified employees and double the annual salary rounded to the nearest thousand for administrators including the superintendent and treasurer.

Note 13 – Long-Term Obligations

The changes in the School District’s long-term obligations during the year consist of the following:

| | Principal Outstanding 6/30/20 | Additions | Reductions | Principal Outstanding 6/30/21 | Amount Due in One Year |
|---|-------------------------------------|--------------------|----------------------|-------------------------------------|------------------------------|
| <i>General Obligation Bonds:</i> | | | | | |
| 2013 Energy Conservation Bonds (3.39%): | | | | | |
| Serial Bonds | \$484,197 | \$0 | (\$46,909) | \$437,288 | \$48,499 |
| 2015 School Improvement Refunding Bonds (4.6%): | | | | | |
| Serial Bonds | 4,485,000 | 0 | (2,185,000) | 2,300,000 | 2,280,000 |
| Premium | 775,967 | 0 | (141,085) | 634,882 | 0 |
| 2015 Athletic Facilities Refunding Bonds (4.24%): | | | | | |
| Serial Bonds | 3,695,000 | 0 | (270,000) | 3,425,000 | 285,000 |
| Premium | 305,472 | 0 | (29,092) | 276,380 | 0 |
| 2017 School Improvement Refunding Bonds (2.38%): | | | | | |
| Term Bonds | 9,320,000 | 0 | (140,000) | 9,180,000 | 145,000 |
| <i>Total General Obligation Bonds</i> | 19,065,636 | 0 | (2,812,086) | 16,253,550 | 2,758,499 |
| <i>Other Long-Term Obligations:</i> | | | | | |
| Net Pension Liability: | | | | | |
| SERS | 13,540,386 | 1,116,016 | 0 | 14,656,402 | 0 |
| STRS | 38,055,170 | 3,409,609 | 0 | 41,464,779 | 0 |
| Total Net Pension Liability | 51,595,556 | 4,525,625 | 0 | 56,121,181 | 0 |
| Net OPEB Liability: | | | | | |
| SERS | 5,822,175 | 0 | (904,687) | 4,917,488 | 0 |
| Compensated Absences | 4,098,321 | 811,215 | (318,397) | 4,591,139 | 282,145 |
| Asset Retirement Obligation | 0 | 90,000 | 0 | 90,000 | 0 |
| <i>Total Other Long-Term Obligations</i> | 61,516,052 | 5,426,840 | (1,223,084) | 65,719,808 | 282,145 |
| <i>Total Governmental Activities</i> | | | | | |
| <i>Long-Term Liabilities</i> | \$80,581,688 | \$5,426,840 | (\$4,035,170) | \$81,973,358 | \$3,040,644 |

All general obligation bonds will be paid from property taxes. The asset retirement obligation will be paid from the general fund. There is no repayment schedule for the net pension and OPEB liabilities; however, employer pension and OPEB contributions are made from the general fund and the food service and reducing class size special revenue funds. For additional information related to the net pension and OPEB liabilities see Notes 10 and 11. The compensated absences are to be paid from the general fund and the food service and title I special revenue funds.

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On September 11, 2013, the School District issued \$729,744 in energy conservation bonds which were used for the modification and remodeling of School District buildings to conserve energy. These bonds will be paid from the bond retirement debt service fund and were issued for a 15 year period with final maturity in fiscal year 2029.

On August 8, 2014, the School District issued \$10,485,000 in serial school improvement bonds to advance refund \$10,890,000 of outstanding 2006 bonds in order to take advantage of lower interest rates. The bonds were issued for a 21 year period with a final maturity at December 1, 2025. The refunding bonds were sold at a premium of \$1,598,963. Net proceeds of \$11,937,668 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the 2006 bonds. As a result, \$10,890,000 of these bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the School District's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. At June 30, 2021, \$2,400,000 of the defeased bonds are still outstanding.

On March 12, 2015, the School District issued \$4,490,000 in serial athletic facilities bonds to advance refund \$4,490,000 of outstanding 2009 athletic facilities bonds in order to take advantage of lower interest rates. The bonds were issued for a 16 year period with a final maturity at December 1, 2030. The refunding bonds were sold at a premium of \$458,205. Net proceeds of \$4,849,104 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the 2009 bonds. As a result, \$4,490,000 of these bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the School District's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. At June 30, 2021, \$3,460,000 of the defeased bonds are still outstanding.

On April 4, 2017, the School District issued \$9,805,000 in term school improvement refunding bonds to refund \$9,805,000 of outstanding 2006 refunding bonds in order to take advantage of lower interest rates. The bonds were issued for a nine year period with a final maturity at December 1, 2025. Net proceeds of \$9,998,649 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the 2006 bonds. As a result, \$9,805,000 of these bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the School District's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. At June 30, 2021, \$9,805,000 of the defeased bonds are still outstanding.

The term bonds are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

| Fiscal Year | Issue |
|----------------|------------------------------------|
| | Principal Amount to be Redeemed |
| 2022 | \$145,000 |
| 2023 | 2,605,000 |
| 2024 | 2,665,000 |
| 2025 | 2,730,000 |

The remaining principal amount of the bonds (\$1,035,000) will mature at stated maturity in fiscal year 2026, on December 1, 2025.

Nordonia Hills City School District
Notes to the Basic Financial Statements
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The School District’s overall debt margin was \$89,084,741 with an unvoted debt margin of \$1,139,271 at June 30, 2021. Principal and interest requirements to retire general obligation bonds and capital appreciation bonds outstanding at June 30, 2021, are as follows:

| | General Obligation Bonds | | | | | |
|--------------|--------------------------|------------------|--------------------|------------------|---------------------|--------------------|
| | Serial | | Term | | Total | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2022 | \$2,613,499 | \$206,540 | \$145,000 | \$216,759 | \$2,758,499 | \$423,299 |
| 2023 | 350,144 | 140,017 | 2,605,000 | 184,033 | 2,955,144 | 324,050 |
| 2024 | 361,843 | 125,338 | 2,665,000 | 121,321 | 3,026,843 | 246,659 |
| 2025 | 378,601 | 110,071 | 2,730,000 | 57,119 | 3,108,601 | 167,190 |
| 2026 | 395,418 | 94,107 | 1,035,000 | 12,316 | 1,430,418 | 106,423 |
| 2027-2031 | 2,062,783 | 215,767 | 0 | 0 | 2,062,783 | 215,767 |
| Total | \$6,162,288 | \$891,840 | \$9,180,000 | \$591,548 | \$15,342,288 | \$1,483,388 |

Note 14 – Jointly Governed Organizations

Northeast Ohio Network for Educational Technology

The Northeast Ohio Network for Educational Technology (NEOnet) is the Information Technology Center (ITC) used by the School District. NEOnet is organized as a council of governments providing data management and computer services to school districts in Cuyahoga, Lake, Medina, Portage, and Summit counties. NEOnet employs its own fiscal officer. The purpose of NEOnet is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All districts in NEOnet are required to pay fees, charges, and assessments as charged. The Assembly is made up of Superintendents from all of the participating districts and governs NEOnet. NEOnet’s Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant’s degree of control is limited to its representation on the Board. The Assembly elects a Board of Directors consisting of nine members and is the managerial body of NEOnet and meets at least five times a year. Payments to NEOnet are made from the general fund. During fiscal year 2021, the School District contributed \$395,725 to NEOnet. Financial information can be obtained by contacting the NEOnet Fiscal Officer at 700 Graham Road, Cuyahoga Falls, Ohio 44221.

Ohio Schools Council

The Ohio Schools Council (Council) is a jointly governed organization among 210 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member’s superintendent serves as a representative of the Assembly. The Council’s Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant’s degree of control is limited to its representation on the Board. The Assembly elects five of the Council’s Board members and the remaining four are representatives of the Greater Cleveland School Superintendents’ Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2021, the School District paid \$6,078 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director at the Ohio Schools Council at 6393 Oak Tree Boulevard, Independence, Ohio 44131.

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The School District participates in an electricity purchase program. This program allows the School District to purchase electricity with other schools as a group from First Energy Solutions. Kilowatt-hours of electric energy metered by the Electric Utility for Nordonia is billed to the School District based on a pricing schedule determined by the Ohio Schools Council, the Ohio School Board Association, the Ohio Association of School Business Officials and the Buckeye Association of School Administrators (collectively called the “P4S” or “Power4Schools”).

Cuyahoga Valley Career Center

The Cuyahoga Valley Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The Board of Education is comprised of representatives from the board of each participating school district. The Board is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. Nordonia Hills City School District students may attend the career center. Each school district’s control is limited to its representation on the Board. During fiscal year 2021, the School District did not make any payments to the Career Center. Financial information can be obtained by contacting the Treasurer at the Cuyahoga Valley Career Center at 8001 Brecksville Road, Brecksville, Ohio 44141.

Note 15 – Shared Risk Pool

The School District is a member of the Stark County Schools Council of Governments (Council) Health Benefits Plan. The Health Benefits Plan is a shared risk pool created pursuant to State statute for the purposes of administering health care benefits. The Council is governed by an assembly, which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve on the Board of Directors. The assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract.

Note 16 – Contingencies

Litigation

The Nordonia Hills City School District is not party to legal proceedings.

Grants

The School District received financial assistance from Federal and State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are 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, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2021, if applicable, cannot be determined at this time.

Nordonia Hills City School District
Notes to the Basic Financial Statements
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School Foundation

In fiscal year 2021, School District foundation funding was based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. ODE's final FTE adjustment did not have a material impact on the School District's financial statements.

Note 17 – Risk Management

Workers' Compensation

The School 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.

Property and Liability

The School District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2021, the School District contracted with Ohio School Plan for various types of insurance as follows:

| <u>Type of Coverage</u> | <u>Coverage Amount</u> |
|---------------------------------------|----------------------------|
| Property | \$149,834,869 |
| Flood and Earthquake | 1,000,000 |
| General Liability | 5,000,000 |
| Employee Benefits Liability | 5,000,000 |
| Employer's Liability | 5,000,000 |
| School Leaders Professional Liability | 5,000,000 |
| Errors and Omissions | 5,000,000 |
| Law Enforcement | 5,000,000 |
| Violent Event Response | 1,000,000 |
| Automobile | 5,000,000 |
| Boiler and Machinery | 100,000,000 |
| Cyber Coverage | 1,000,000 |
| Pollution Liability | 1,000,000 |

Settled claims have not exceeded this commercial coverage in any of the last three years and there have been no significant reductions in insurance coverage from last year.

Nordonia Hills City School District
Notes to the Basic Financial Statements
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Note 18 – Interfund Activity

Interfund Transfers

Interfund transfers made during fiscal year 2021 consisted of transfers from the general fund to the other governmental funds in the amount of \$327,528. The transfers from the general fund were made for debt service payments and to provide funding for the food service and district managed programs.

Interfund Balances

Interfund balances at June 30, 2021, consisted of the following:

| | Interfund Balances | |
|--|--------------------|----------|
| | June 30, 2020 | |
| | Receivables | Payables |
| General | \$46,684 | \$0 |
| Other Governmental Funds: | | |
| Elementary and Secondary School Emergency Relief | 0 | 501 |
| Title VI-B | 0 | 42,203 |
| Title I | 0 | 3,980 |
| Total Other Governmental Funds | 0 | 46,684 |
| Total Governmental Funds | \$46,684 | \$46,684 |

The advances from the general fund to the other governmental funds were made to cover negative cash balances and to provide cash in anticipation of the receipt of grants. The balances are anticipated to be repaid within one year.

Note 19 – Set-Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by fiscal year end or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end and carried forward to be used for the same purpose in future years.

The following cash basis information describes the change in the fiscal year end set-aside amount for capital acquisitions. Disclosure of this information is required by State statute.

| | Capital Improvement |
|---|------------------------|
| Set-aside Balances as of June 30, 2020 | \$0 |
| Current Year Set-aside Requirement | 649,136 |
| Qualifying Disbursements | (1,161,333) |
| Totals | (\$512,197) |
| Set-aside Balance Carried Forward to Future Fiscal Years | \$0 |
| Set-aside Balance as of June 30, 2021 | \$0 |

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

Note 20 – Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year or soon thereafter were as follows:

| | |
|--------------------------|---------------------------|
| General | \$1,180,002 |
| Other Governmental Funds | <u>257,456</u> |
| Total | <u><u>\$1,437,458</u></u> |

Note 21 – Asset Retirement Obligations

The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code Section 1301-7-9 and require a School District classified as an “owner” or “operator,” to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. This asset retirement obligation (ARO) of \$90,000 associated with the School District’s underground storage tanks was estimated by the School District. The remaining useful life of these USTs is 14 years. The School District maintains insurance related to any potential pollution remediation associated with the USTs.

Note 22 – Change in Accounting Principles and Restatement of Fund Balances and Net Position

Change in Accounting Principles

For fiscal year 2021, the School District implemented the Governmental Accounting Standards Board’s (GASB) Statement No. 98, *The Annual Comprehensive Financial Report*. GASB 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The School District implemented the Governmental Accounting Standards Board’s (GASB) *Implementation Guide No. 2019-1* as well. These changes were incorporated in the School District’s 2021 financial statements; however, there was no effect on beginning net position/fund balance.

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For the Fiscal Year Ended June 30, 2021*

For fiscal year 2021, the School District also implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* and related guidance from (GASB) Implementation Guide No. 2019-2, *Fiduciary Activities*.

GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the School District will no longer be reporting agency funds. The School District reviewed its agency funds and these funds have been reclassified as governmental special revenue funds. These fund reclassifications resulted in the restatement of the School District's financial statements.

Restatement of Fund Balances and Net Position

The implementation of GASB Statement No. 84 had the following effect on fund balance as of June 30, 2020:

| | <u>General</u> | <u>Bond Retirement</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|----------------------------|----------------------------|---|---|
| Fund Balances, June 30, 2020 | \$13,570,819 | \$1,727,702 | \$549,007 | \$15,847,528 |
| Adjustments: | | | | |
| GASB Statement 84 | <u>0</u> | <u>0</u> | <u>185,359</u> | <u>185,359</u> |
| Restated Fund Balances, June 30, 2020 | <u><u>\$13,570,819</u></u> | <u><u>\$1,727,702</u></u> | <u><u>\$734,366</u></u> | <u><u>\$16,032,887</u></u> |

The implementation of GASB Statement No. 84 had the following effect on governmental and fiduciary net position as of June 30, 2020:

| | <u>Governmental Activities</u> | <u>Agency</u> |
|---|------------------------------------|-------------------|
| Net Position June 30, 2020 | <u>(\$25,891,626)</u> | <u>\$0</u> |
| Adjustments: | | |
| GASB Statement 84 | 185,359 | 0 |
| Assets | 0 | (185,359) |
| Liabilities | <u>0</u> | <u>185,359</u> |
| Restated Net Position, June 30, 2020 | <u><u>(\$25,706,267)</u></u> | <u><u>\$0</u></u> |

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 23 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During fiscal year 2021, the School District received Coronavirus Aid, Relief and Economic Security (CARES) Act funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the School District. The School District's investment portfolio and the investments of the pension and other employee benefit plans in which the School District participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the School District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. Additional funding has been made available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020, and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

Note 24 – Subsequent Events

In October 2021, the School District reached a tax valuation settlement agreement with a large business within the School District's boundaries. The first settlement payout was received in October 2021 and the Board of Education dedicated the first payout to the School District's Permanent Improvement Fund. Subsequent payouts from the settlement, totaling approximately \$11,328,000, will be made annually and ending in March of 2026.

For fiscal year 2022, School District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school, scholarship, and open enrollment funding will be directly funded by the State of Ohio to the respective educating schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the School District were funded to the School District who, in turn, made the payment to the educating school. For fiscal year 2021, the School District reported \$879,200 in revenue and expenditures/expense related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each School District. The School District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

Nordonia Hills City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

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**Required Supplementary
Information**

Nordonia Hills 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 Eight Fiscal Years (1) **

| | 2021 | 2020 | 2019 |
|---|--------------|--------------|--------------|
| School District's Proportion of the Net Pension Liability | 0.22158960% | 0.22630770% | 0.22081780% |
| School District's Proportionate Share of the Net Pension Liability | \$14,656,402 | \$13,540,386 | \$12,646,644 |
| School District's Covered Payroll | \$7,730,743 | \$7,870,800 | \$7,447,119 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 189.59% | 172.03% | 169.82% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 68.55% | 70.85% | 71.36% |

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2014 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the Required Supplementary Information

| 2018 | 2017 | 2016 | 2015 | 2014 |
|--------------|--------------|--------------|--------------|--------------|
| 0.21708660% | 0.21377550% | 0.20492030% | 0.20203300% | 0.20203300% |
| \$12,970,445 | \$15,646,394 | \$11,692,952 | \$10,224,775 | \$12,014,254 |
| \$6,991,764 | \$6,667,579 | \$6,235,536 | \$6,230,817 | \$4,538,107 |
| 185.51% | 234.66% | 187.52% | 164.10% | 264.74% |
| 69.50% | 62.98% | 69.16% | 71.70% | 65.52% |

Nordonia Hills City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
*Last Five Fiscal Years (1) **

| | 2021 | 2020 | 2019 |
|---|-------------|-------------|-------------|
| School District's Proportion of the Net OPEB Liability | 0.22626550% | 0.23151740% | 0.22376510% |
| School District's Proportionate Share of the Net OPEB Liability | \$4,917,488 | \$5,822,175 | \$6,207,849 |
| School District's Covered Payroll | \$7,730,743 | \$7,870,800 | \$7,447,119 |
| School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll | 63.61% | 73.97% | 83.36% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 18.17% | 15.57% | 13.57% |

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2017 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the Required Supplementary Information

| 2018 | 2017 |
|-------------|-------------|
| 0.22002550% | 0.21617770% |
| \$5,904,907 | \$6,161,864 |
| \$6,991,764 | \$6,667,579 |
| 84.46% | 92.42% |
| 12.46% | 11.49% |

Nordonia Hills 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 Eight Fiscal Years (1) **

| | 2021 | 2020 | 2019 |
|--|--------------|--------------|--------------|
| School District's Proportion of the Net Pension Liability | 0.17136726% | 0.17208322% | 0.16870447% |
| School District's Proportionate Share of the Net Pension Liability | \$41,464,779 | \$38,055,170 | \$37,094,324 |
| School District's Covered Payroll | \$21,400,229 | \$19,573,529 | \$19,252,429 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 193.76% | 194.42% | 192.67% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 75.50% | 77.40% | 77.30% |

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2014 is not available.
An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date,
which is the prior fiscal year end.

See accompanying notes to the Required Supplementary Information

| 2018 | 2017 | 2016 | 2015 | 2014 |
|--------------|--------------|--------------|--------------|--------------|
| 0.16509449% | 0.16130569% | 0.16417188% | 0.15948273% | 0.15948273% |
| \$39,218,550 | \$53,993,877 | \$45,372,307 | \$38,791,720 | \$46,208,442 |
| \$18,404,221 | \$18,223,643 | \$17,171,343 | \$15,994,071 | \$17,009,954 |
| 213.10% | 296.28% | 264.23% | 242.54% | 271.66% |
| 75.30% | 66.80% | 72.10% | 74.70% | 69.30% |

Nordonia Hills City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
*Last Five Fiscal Years (1) **

| | 2021 | 2020 | 2019 |
|---|---------------|---------------|---------------|
| School District's Proportion of the Net OPEB Liability (Asset) | 0.17136726% | 0.17208322% | 0.16870447% |
| School District's Proportionate Share of the Net OPEB Liability (Asset) | (\$3,011,777) | (\$2,850,112) | (\$2,710,908) |
| School District's Covered Payroll | \$21,400,229 | \$19,573,529 | \$19,252,429 |
| School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll | -14.07% | -14.56% | -14.08% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 182.10% | 174.70% | 176.00% |

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2017 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the Required Supplementary Information

| 2018 | 2017 |
|--------------|--------------|
| 0.16509449% | 0.16130569% |
| \$6,441,377 | \$8,626,670 |
| \$18,404,221 | \$18,223,643 |
| 35.00% | 47.34% |
| 47.10% | 37.30% |

Nordonia Hills City School District
Required Supplementary Information
Schedule of School District Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

| | 2021 | 2020 | 2019 | 2018 |
|---|--------------------|--------------------|--------------------|--------------------|
| Net Pension Liability: | | | | |
| Contractually Required Contribution | \$1,091,997 | \$1,082,304 | \$1,062,558 | \$1,005,361 |
| Contributions in Relation to the Contractually Required Contribution | <u>(1,091,997)</u> | <u>(1,082,304)</u> | <u>(1,062,558)</u> | <u>(1,005,361)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| School District Covered Payroll (1) | \$7,799,979 | \$7,730,743 | \$7,870,800 | \$7,447,119 |
| Pension Contributions as a Percentage of Covered Payroll | <u>14.00%</u> | <u>14.00%</u> | <u>13.50%</u> | <u>13.50%</u> |
| Net OPEB Liability: | | | | |
| Contractually Required Contribution (2) | \$144,147 | \$127,964 | \$178,774 | \$159,630 |
| Contributions in Relation to the Contractually Required Contribution | <u>(144,147)</u> | <u>(127,964)</u> | <u>(178,774)</u> | <u>(159,630)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| OPEB Contributions as a Percentage of Covered Payroll | <u>1.85%</u> | <u>1.66%</u> | <u>2.27%</u> | <u>2.14%</u> |
| Total Contributions as a Percentage of Covered Payroll (2) | <u>15.85%</u> | <u>15.66%</u> | <u>15.77%</u> | <u>15.64%</u> |

(1) The School District's covered payroll is the same for Pension and OPEB.

(2) Includes Surcharge

See accompanying notes to the Required Supplementary Information

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$978,847 | \$933,461 | \$821,844 | \$816,237 | \$594,492 | \$561,336 |
| (978,847) | (933,461) | (821,844) | (816,237) | (594,492) | (561,336) |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$6,991,764 | \$6,667,579 | \$6,235,536 | \$6,230,817 | \$4,538,107 | \$4,419,969 |
| 14.00% | 14.00% | 13.18% | 13.10% | 13.10% | 12.70% |
| \$118,683 | \$107,412 | \$146,348 | \$107,461 | \$80,325 | \$95,472 |
| (118,683) | (107,412) | (146,348) | (107,461) | (80,325) | (95,472) |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 1.70% | 1.61% | 2.35% | 1.72% | 1.77% | 2.16% |
| 15.70% | 15.61% | 15.53% | 14.82% | 14.87% | 14.86% |

Nordonia Hills City School District
Required Supplementary Information
Schedule of School District Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

| | 2021 | 2020 | 2019 | 2018 |
|---|---------------|---------------|---------------|---------------|
| Net Pension Liability: | | | | |
| Contractually Required Contribution | \$3,098,919 | \$2,996,032 | \$2,740,294 | \$2,695,340 |
| Contributions in Relation to the Contractually Required Contribution | (3,098,919) | (2,996,032) | (2,740,294) | (2,695,340) |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| School District Covered Payroll (1) | \$22,135,136 | \$21,400,229 | \$19,573,529 | \$19,252,429 |
| Pension Contributions as a Percentage of Covered Payroll | <u>14.00%</u> | <u>14.00%</u> | <u>14.00%</u> | <u>14.00%</u> |
| Net OPEB Liability: | | | | |
| Contractually Required Contribution | \$0 | \$0 | \$0 | \$0 |
| Contributions in Relation to the Contractually Required Contribution | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| OPEB Contributions as a Percentage of Covered Payroll | <u>0.00%</u> | <u>0.00%</u> | <u>0.00%</u> | <u>0.00%</u> |
| Total Contributions as a Percentage of Covered Payroll | <u>14.00%</u> | <u>14.00%</u> | <u>14.00%</u> | <u>14.00%</u> |

(1) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to the Required Supplementary Information

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$2,576,591 | \$2,551,310 | \$2,403,988 | \$2,079,229 | \$2,211,294 | \$2,237,670 |
| (2,576,591) | (2,551,310) | (2,403,988) | (2,079,229) | (2,211,294) | (2,237,670) |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$18,404,221 | \$18,223,643 | \$17,171,343 | \$15,994,071 | \$17,009,954 | \$17,212,846 |
| 14.00% | 14.00% | 14.00% | 13.00% | 13.00% | 13.00% |
| \$0 | \$0 | \$0 | \$159,941 | \$170,100 | \$172,128 |
| 0 | 0 | 0 | (159,941) | (170,100) | (172,128) |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 0.00% | 0.00% | 0.00% | 1.00% | 1.00% | 1.00% |
| 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 14.00% |

Nordonia Hills City School District, Ohio
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

Net Pension Liability

Changes in Assumptions – SERS

Beginning in fiscal year 2018, an assumption of 2.5 percent was used for COLA or Ad Hoc Cola. Prior to 2018, an assumption of 3 percent was used.

Beginning with fiscal year 2017, amounts reported incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in fiscal year 2016 and prior are presented below:

| | Fiscal Year 2017 | Fiscal Year 2016 and Prior |
|---|---|---|
| Wage Inflation | 3.00 percent | 3.25 percent |
| Future Salary Increases, including inflation | 3.50 percent to 18.20 percent | 4.00 percent to 22.00 percent |
| Investment Rate of Return | 7.50 percent net of investments expense, including inflation | 7.75 percent net of investments expense, including inflation |

Beginning with fiscal year 2017, mortality assumptions use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions - STRS

Beginning with fiscal year 2018, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2017 and prior are presented below:

| | Fiscal Year 2018 | Fiscal Year 2017 and Prior |
|--------------------------------------|--|--|
| Inflation | 2.50 percent | 2.75 percent |
| Projected salary increases | 12.50 percent at age 20 to 2.50 percent at age 65 | 12.25 percent at age 20 to 2.75 percent at age 70 |
| Investment Rate of Return | 7.45 percent, net of investment expenses, including inflation | 7.75 percent, net of investment expenses, including inflation |
| Payroll Increases | 3 percent | 3.5 percent |
| Cost-of-Living Adjustments (COLA) | 0.0 percent, effective July 1, 2017 | 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 commences on fifth anniversary of retirement date. |

Nordonia Hills City School District, Ohio

Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

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

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

Net OPEB Liability

Changes in Assumptions – SERS

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

| | |
|---|--------------|
| Municipal Bond Index Rate: | |
| Fiscal year 2021 | 2.45 percent |
| Fiscal year 2020 | 3.13 percent |
| Fiscal year 2019 | 3.62 percent |
| Fiscal year 2018 | 3.56 percent |
| Fiscal year 2017 | 2.92 percent |
| Single Equivalent Interest Rate, net of plan investment expense, including price inflation | |
| Fiscal year 2021 | 2.63 percent |
| Fiscal year 2020 | 3.22 percent |
| Fiscal year 2019 | 3.70 percent |
| Fiscal year 2018 | 3.63 percent |
| Fiscal year 2017 | 2.98 percent |

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

Nordonia Hills City School District, Ohio

*Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021*

Changes in Benefit Terms – STRS OPEB

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

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

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

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

**Combining and Individual
Fund Statements and Schedules**

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Following is a description of the School District's nonmajor special revenue funds:

Food Service Fund – To account for and report restricted grants and charges for services related to the food service operations of the School District.

Other Grants Fund – To account for and report restricted donations to the School District for miscellaneous purposes.

High School Bookstore Fund – To account for and report committed funds received from and for the use of the activities of the high school bookstore.

Student Activities Fund – To account for and report resources restricted to the student bodies of the various schools, accounting for sales and other revenue generating activities for which the School District has administrative involvement.

District Managed Activities Fund – To account for and report gate receipts and other restricted revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's Athletic Program and transportation of the band to and from athletic events.

Auxiliary Services Fund – To account for and report services to non-public schools within the School District which are provided for in State law. Restricted funds are primarily for educational supplies, materials, and testing.

Data Communication Fund – To account for and report restricted grant monies appropriated for Ohio Educational Computer Network Connections.

Student Wellness Fund – To account for and report restricted State monies distributed for specific purposes related to student wellness and success initiatives.

Miscellaneous State Grants Fund – To account for and report restricted grant monies from the State appropriated for miscellaneous purposes.

Elementary and Secondary School Emergency Relief (ESSER) Fund – To account for and report restricted emergency COVID-19 pandemic relief grants to school districts for the coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Coronavirus Relief Fund – To account for and report restricted grant monies to be used for necessary expenditures incurred due to the public health emergency with respect to COVID-19.

Title VI-B Fund – To account for and report restricted Federal revenues that assist states in identification of handicapped children and provide full educational opportunities to handicapped children at the preschool, elementary and secondary levels. It also accounts for Federal monies used to implement a variety of programs intended to provide instruction for early childhood education.

Limited English Proficiency Fund – To account for and report restricted monies used for elementary and secondary school programs with the purpose of meeting the educational needs of students with limited English proficiency. This fund did not have any budgetary activity in fiscal year 2021; therefore, budgetary information is not provided.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Title I Fund – To account for and report restricted Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Reducing Class Size Fund – To account for and report restricted grant monies to hire additional classroom teachers so the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund – To account for and report restricted grant monies from federal sources appropriated for miscellaneous purposes.

Public School Support Fund – To account for and report school site sales revenue and expenditure for field trips, assemblies and other activity costs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Nonmajor Debt Service Fund

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

Bond Retirement Fund – To account for and report the accumulation of property tax revenues restricted for the payment of general obligation bonds issued for school building and athletic facility improvements.

Nonmajor Capital Projects Funds

The Capital Projects Funds are used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the nonmajor capital projects funds:

Permanent Improvement Fund – To account for and report all restricted transactions related to the acquiring, construction, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

Building Fund – To account for and report restricted monies used for the building, restoration or improvement of the School District property.

Nordonia Hills City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|-------------------------------------|--|--|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$715,318 | \$1,529,949 | \$58,171 | \$2,303,438 |
| Intergovernmental Receivable | 668,235 | 0 | 0 | 668,235 |
| Inventory Held for Resale | 6,163 | 0 | 0 | 6,163 |
| Materials and Supplies Inventory | 4,878 | 0 | 0 | 4,878 |
| Property Taxes Receivable | 0 | 2,900,370 | 0 | 2,900,370 |
| Prepaid Items | 1,525 | 0 | 0 | 1,525 |
| <i>Total Assets</i> | <u>\$1,396,119</u> | <u>\$4,430,319</u> | <u>\$58,171</u> | <u>\$5,884,609</u> |
| Liabilities | | | | |
| Accounts Payable | \$85,846 | \$0 | \$25,332 | \$111,178 |
| Accrued Wages and Benefits | 90,035 | 0 | 0 | 90,035 |
| Intergovernmental Payable | 49,292 | 0 | 0 | 49,292 |
| Interfund Payable | 46,684 | 0 | 0 | 46,684 |
| <i>Total Liabilities</i> | <u>271,857</u> | <u>0</u> | <u>25,332</u> | <u>297,189</u> |
| Deferred Inflows of Resources | | | | |
| Property Taxes | 0 | 2,512,568 | 0 | 2,512,568 |
| Unavailable Revenue | 601,529 | 25,136 | 0 | 626,665 |
| <i>Total Deferred Inflows of Resources</i> | <u>601,529</u> | <u>2,537,704</u> | <u>0</u> | <u>3,139,233</u> |
| Fund Balances | | | | |
| Nonspendable | 6,403 | 0 | 0 | 6,403 |
| Restricted | 551,490 | 1,892,615 | 32,839 | 2,476,944 |
| Committed | 7,459 | 0 | 0 | 7,459 |
| Unassigned (Deficit) | (42,619) | 0 | 0 | (42,619) |
| <i>Total Fund Balances</i> | <u>522,733</u> | <u>1,892,615</u> | <u>32,839</u> | <u>2,448,187</u> |
| <i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i> | <u>\$1,396,119</u> | <u>\$4,430,319</u> | <u>\$58,171</u> | <u>\$5,884,609</u> |

Nordonia Hills City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|-------------------------------------|--|--|
| Revenues | | | | |
| Property Taxes | \$0 | \$2,973,431 | \$0 | \$2,973,431 |
| Intergovernmental | 2,896,140 | 361,943 | 0 | 3,258,083 |
| Interest | 70 | 0 | 0 | 70 |
| Tuition and Fees | 219 | 0 | 0 | 219 |
| Charges for Services | 118,669 | 0 | 0 | 118,669 |
| Extracurricular Activities | 321,964 | 0 | 0 | 321,964 |
| Contributions and Donations | 123,682 | 0 | 41,897 | 165,579 |
| Rentals | 5 | 0 | 1,500 | 1,505 |
| Miscellaneous | 32 | 0 | 198 | 230 |
| <i>Total Revenues</i> | <u>3,460,781</u> | <u>3,335,374</u> | <u>43,595</u> | <u>6,839,750</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 355,716 | 0 | 0 | 355,716 |
| Special | 333,948 | 0 | 0 | 333,948 |
| Vocational | 5,180 | 0 | 0 | 5,180 |
| Support Services: | | | | |
| Pupils | 604,060 | 0 | 0 | 604,060 |
| Instructional Staff | 314,384 | 0 | 0 | 314,384 |
| Administration | 5,000 | 0 | 0 | 5,000 |
| Fiscal | 0 | 48,312 | 0 | 48,312 |
| Operation and Maintenance of Plant | 181,462 | 0 | 0 | 181,462 |
| Pupil Transportation | 17,856 | 0 | 0 | 17,856 |
| Central | 10,800 | 0 | 0 | 10,800 |
| Operation of Non-Instructional Services | 455,896 | 0 | 0 | 455,896 |
| Food Service Operations | 929,583 | 0 | 0 | 929,583 |
| Extracurricular Activities | 476,512 | 0 | 0 | 476,512 |
| Capital Outlay | 0 | 0 | 257,773 | 257,773 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 2,641,909 | 0 | 2,641,909 |
| Interest and Fiscal Charges | 0 | 542,768 | 0 | 542,768 |
| <i>Total Expenditures</i> | <u>3,690,397</u> | <u>3,232,989</u> | <u>257,773</u> | <u>7,181,159</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (229,616) | 102,385 | (214,178) | (341,409) |
| Other Financing Sources | | | | |
| Transfers In | 265,000 | 62,528 | 0 | 327,528 |
| <i>Net Change in Fund Balances</i> | 35,384 | 164,913 | (214,178) | (13,881) |
| <i>Fund Balances Beginning of Year - Restated (See Note 22)</i> | <u>487,349</u> | <u>1,727,702</u> | <u>247,017</u> | <u>2,462,068</u> |
| <i>Fund Balances End of Year</i> | <u>\$522,733</u> | <u>\$1,892,615</u> | <u>\$32,839</u> | <u>\$2,448,187</u> |

Nordonia Hills City School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2021

| | Food Service | Other Grants | High School Bookstore | Student Activities |
|---|------------------|-----------------|-----------------------------|-----------------------|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$150,461 | \$64,668 | \$7,459 | \$101,743 |
| Intergovernmental Receivable | 0 | 0 | 0 | 0 |
| Inventory Held for Resale | 6,163 | 0 | 0 | 0 |
| Materials and Supplies Inventory | 4,878 | 0 | 0 | 0 |
| Prepaid Items | 1,525 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$163,027</u> | <u>\$64,668</u> | <u>\$7,459</u> | <u>\$101,743</u> |
| Liabilities | | | | |
| Accounts Payable | \$0 | \$305 | \$0 | \$10,871 |
| Accrued Wages and Benefits | 78,702 | 0 | 0 | 0 |
| Intergovernmental Payable | 37,044 | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 0 | 0 |
| <i>Total Liabilities</i> | <u>115,746</u> | <u>305</u> | <u>0</u> | <u>10,871</u> |
| Deferred Inflows of Resources | | | | |
| Unavailable Revenue | 0 | 0 | 0 | 0 |
| Fund Balances | | | | |
| Nonspendable | 6,403 | 0 | 0 | 0 |
| Restricted | 40,878 | 64,363 | 0 | 90,872 |
| Committed | 0 | 0 | 7,459 | 0 |
| Unassigned (Deficit) | 0 | 0 | 0 | 0 |
| <i>Total Fund Balances (Deficit)</i> | <u>47,281</u> | <u>64,363</u> | <u>7,459</u> | <u>90,872</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$163,027</u> | <u>\$64,668</u> | <u>\$7,459</u> | <u>\$101,743</u> |

| District Managed Activities | Auxiliary Services | Student Wellness | Elementary and Secondary School Emergency Relief | Title VI-B | Limited English Proficiency |
|-----------------------------------|-----------------------|---------------------|---|------------------|-----------------------------------|
| \$219,210 | \$26,537 | \$132,615 | \$0 | \$0 | \$8,181 |
| 0 | 0 | 0 | 19,822 | 564,628 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$219,210</u> | <u>\$26,537</u> | <u>\$132,615</u> | <u>\$19,822</u> | <u>\$564,628</u> | <u>\$8,181</u> |
| \$7,324 | \$24,063 | \$0 | \$19,321 | \$17,696 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 10,794 | 0 |
| 0 | 0 | 0 | 501 | 42,203 | 0 |
| <u>7,324</u> | <u>24,063</u> | <u>0</u> | <u>19,822</u> | <u>70,693</u> | <u>0</u> |
| 0 | 0 | 0 | 0 | 521,945 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 211,886 | 2,474 | 132,615 | 0 | 0 | 8,181 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | (28,010) | 0 |
| <u>211,886</u> | <u>2,474</u> | <u>132,615</u> | <u>0</u> | <u>(28,010)</u> | <u>8,181</u> |
| <u>\$219,210</u> | <u>\$26,537</u> | <u>\$132,615</u> | <u>\$19,822</u> | <u>\$564,628</u> | <u>\$8,181</u> |

(continued)

Nordonia Hills City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2021

| | Title I | Reducing Class Size | Miscellaneous Federal Grants | Total Nonmajor Special Revenue Funds |
|---|-----------------|------------------------|---------------------------------|---|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$0 | \$4,444 | \$0 | \$715,318 |
| Intergovernmental Receivable | 16,944 | 38,472 | 28,369 | 668,235 |
| Inventory Held for Resale | 0 | 0 | 0 | 6,163 |
| Materials and Supplies Inventory | 0 | 0 | 0 | 4,878 |
| Prepaid Items | 0 | 0 | 0 | 1,525 |
| <i>Total Assets</i> | <u>\$16,944</u> | <u>\$42,916</u> | <u>\$28,369</u> | <u>\$1,396,119</u> |
| Liabilities | | | | |
| Accounts Payable | \$0 | \$4,350 | \$1,916 | \$85,846 |
| Accrued Wages and Benefits | 0 | 11,333 | 0 | 90,035 |
| Intergovernmental Payable | 0 | 1,454 | 0 | 49,292 |
| Interfund Payable | 3,980 | 0 | 0 | 46,684 |
| <i>Total Liabilities</i> | <u>3,980</u> | <u>17,137</u> | <u>1,916</u> | <u>271,857</u> |
| Deferred Inflows of Resources | | | | |
| Unavailable Revenue | 12,743 | 38,472 | 28,369 | 601,529 |
| Fund Balances | | | | |
| Nonspendable | 0 | 0 | 0 | 6,403 |
| Restricted | 221 | 0 | 0 | 551,490 |
| Committed | 0 | 0 | 0 | 7,459 |
| Unassigned (Deficit) | 0 | (12,693) | (1,916) | (42,619) |
| <i>Total Fund Balances (Deficit)</i> | <u>221</u> | <u>(12,693)</u> | <u>(1,916)</u> | <u>522,733</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$16,944</u> | <u>\$42,916</u> | <u>\$28,369</u> | <u>\$1,396,119</u> |

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Nordonia Hills City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021

| | Food Service | Other Grants | High School Bookstore | Student Activities | District Managed Activities |
|---|-----------------|-----------------|-----------------------------|-----------------------|-----------------------------------|
| Revenues | | | | | |
| Intergovernmental | \$655,620 | \$367,952 | \$0 | \$0 | \$0 |
| Interest | 0 | 0 | 0 | 0 | 0 |
| Tuition and Fees | 0 | 0 | 219 | 0 | 0 |
| Charges for Services | 118,669 | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 58,967 | 262,997 |
| Contributions and Donations | 0 | 118,016 | 0 | 5,666 | 0 |
| Rentals | 0 | 0 | 0 | 0 | 5 |
| Miscellaneous | 0 | 32 | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>774,289</u> | <u>486,000</u> | <u>219</u> | <u>64,633</u> | <u>263,002</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 0 | 58,963 | 0 | 0 | 0 |
| Special | 0 | 0 | 0 | 0 | 0 |
| Vocational | 0 | 0 | 0 | 5,180 | 0 |
| Support Services: | | | | | |
| Pupils | 0 | 384,494 | 0 | 0 | 0 |
| Instructional Staff | 0 | 2,994 | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 0 | 0 |
| Pupil Transportation | 0 | 0 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 | 0 |
| Operation of Non-Instructional Services | 0 | 21,000 | 0 | 0 | 0 |
| Food Service Operations | 929,583 | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 17,737 | 0 | 153,940 | 304,835 |
| <i>Total Expenditures</i> | <u>929,583</u> | <u>485,188</u> | <u>0</u> | <u>159,120</u> | <u>304,835</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (155,294) | 812 | 219 | (94,487) | (41,833) |
| Other Financing Sources | | | | | |
| Transfers In | 250,000 | 0 | 0 | 0 | 15,000 |
| <i>Net Change in Fund Balances</i> | 94,706 | 812 | 219 | (94,487) | (26,833) |
| <i>Fund Balances (Deficit) Beginning of Year - Restated (See Note 22)</i> | (47,425) | 63,551 | 7,240 | 185,359 | 238,719 |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$47,281</u> | <u>\$64,363</u> | <u>\$7,459</u> | <u>\$90,872</u> | <u>\$211,886</u> |

| Auxiliary Services | Data Communication | Student Wellness | Miscellaneous State Grants | Elementary and Secondary School Emergency Relief | Coronavirus Relief | Title VI-B |
|--------------------|--------------------|------------------|----------------------------|--|--------------------|------------|
| \$364,469 | \$10,800 | \$178,552 | \$25,144 | \$194,804 | \$191,462 | \$474,171 |
| 70 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 364,539 | 10,800 | 178,552 | 25,144 | 194,804 | 191,462 | 474,171 |
| 0 | 0 | 0 | 0 | 0 | 0 | 1,979 |
| 0 | 0 | 0 | 0 | 0 | 0 | 333,948 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 85,500 | 25,144 | 0 | 0 | 108,922 |
| 0 | 0 | 0 | 0 | 173,657 | 0 | 14,265 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 181,462 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 17,856 |
| 0 | 10,800 | 0 | 0 | 0 | 0 | 0 |
| 362,840 | 0 | 0 | 0 | 21,147 | 10,000 | 26,440 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 362,840 | 10,800 | 85,500 | 25,144 | 194,804 | 191,462 | 503,410 |
| 1,699 | 0 | 93,052 | 0 | 0 | 0 | (29,239) |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1,699 | 0 | 93,052 | 0 | 0 | 0 | (29,239) |
| 775 | 0 | 39,563 | 0 | 0 | 0 | 1,229 |
| \$2,474 | \$0 | \$132,615 | \$0 | \$0 | \$0 | (\$28,010) |

(continued)

Nordonia Hills 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, 2021

| | Limited English Proficiency | Title I | Reducing Class Size | Miscellaneous Federal Grants | Total Nonmajor Special Revenue Funds |
|---|-----------------------------------|----------------|------------------------|------------------------------------|---|
| Revenues | | | | | |
| Intergovernmental | \$0 | \$310,669 | \$111,797 | \$10,700 | \$2,896,140 |
| Interest | 0 | 0 | 0 | 0 | 70 |
| Tuition and Fees | 0 | 0 | 0 | 0 | 219 |
| Charges for Services | 0 | 0 | 0 | 0 | 118,669 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 321,964 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 123,682 |
| Rentals | 0 | 0 | 0 | 0 | 5 |
| Miscellaneous | 0 | 0 | 0 | 0 | 32 |
| <i>Total Revenues</i> | <u>0</u> | <u>310,669</u> | <u>111,797</u> | <u>10,700</u> | <u>3,460,781</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 0 | 294,774 | 0 | 0 | 355,716 |
| Special | 0 | 0 | 0 | 0 | 333,948 |
| Vocational | 0 | 0 | 0 | 0 | 5,180 |
| Support Services: | | | | | |
| Pupils | 0 | 0 | 0 | 0 | 604,060 |
| Instructional Staff | 0 | 0 | 112,768 | 10,700 | 314,384 |
| Administration | 0 | 5,000 | 0 | 0 | 5,000 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 0 | 181,462 |
| Pupil Transportation | 0 | 0 | 0 | 0 | 17,856 |
| Central | 0 | 0 | 0 | 0 | 10,800 |
| Operation of Non-Instructional Services | 0 | 4,839 | 7,714 | 1,916 | 455,896 |
| Food Service Operations | 0 | 0 | 0 | 0 | 929,583 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 476,512 |
| <i>Total Expenditures</i> | <u>0</u> | <u>304,613</u> | <u>120,482</u> | <u>12,616</u> | <u>3,690,397</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 0 | 6,056 | (8,685) | (1,916) | (229,616) |
| Other Financing Sources | | | | | |
| Transfers In | 0 | 0 | 0 | 0 | 265,000 |
| <i>Net Change in Fund Balances</i> | 0 | 6,056 | (8,685) | (1,916) | 35,384 |
| <i>Fund Balances (Deficit) Beginning of Year - Restated (See Note 22)</i> | 8,181 | (5,835) | (4,008) | 0 | 487,349 |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$8,181</u> | <u>\$221</u> | <u>(\$12,693)</u> | <u>(\$1,916)</u> | <u>\$522,733</u> |

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Nordonia Hills City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021

| | Permanent Improvement | Building | Total Nonmajor Capital Projects Funds |
|--|--------------------------|-----------------|--|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$15,221 | \$42,950 | \$58,171 |
| Liabilities and Fund Balances | | | |
| Liabilities | | | |
| Accounts Payable | \$0 | \$25,332 | \$25,332 |
| Fund Balances | | | |
| Restricted | 15,221 | 17,618 | 32,839 |
| <i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i> | <u>\$15,221</u> | <u>\$42,950</u> | <u>\$58,171</u> |

Nordonia Hills City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2021

| | Permanent Improvement | Building | Total Nonmajor Capital Projects Funds |
|---|--------------------------|-----------|--|
| Revenues | | | |
| Contributions and Donations | \$0 | \$41,897 | \$41,897 |
| Rentals | 0 | 1,500 | 1,500 |
| Miscellaneous | 198 | 0 | 198 |
| <i>Total Revenues</i> | 198 | 43,397 | 43,595 |
| Expenditures | | | |
| Capital Outlay | 0 | 257,773 | 257,773 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 198 | (214,376) | (214,178) |
| <i>Fund Balances Beginning of Year</i> | 15,023 | 231,994 | 247,017 |
| <i>Fund Balances End of Year</i> | \$15,221 | \$17,618 | \$32,839 |

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

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| Revenues | | | | |
| Property Taxes | \$37,999,873 | \$38,928,908 | \$38,928,908 | \$0 |
| Payments in Lieu of Taxes | 1,924,340 | 1,924,340 | 1,924,340 | 0 |
| Intergovernmental | 8,760,185 | 8,964,034 | 8,964,034 | 0 |
| Interest | 585,096 | 598,711 | 598,722 | 11 |
| Tuition and Fees | 807,719 | 826,515 | 805,881 | (20,634) |
| Charges for Services | 14,248 | 14,579 | 14,579 | 0 |
| Extracurricular Activities | 265,686 | 271,606 | 260,264 | (11,342) |
| Contributions and Donations | 1,490 | 1,525 | 1,525 | 0 |
| Rentals | 8,335 | 7,365 | 7,853 | 488 |
| Miscellaneous | 243,818 | 249,491 | 252,594 | 3,103 |
| <i>Total Revenues</i> | <u>50,610,790</u> | <u>51,787,074</u> | <u>51,758,700</u> | <u>(28,374)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | | | | |
| Salaries | 15,115,187 | 14,774,319 | 14,768,825 | 5,494 |
| Fringe Benefits | 5,302,876 | 5,208,908 | 5,207,298 | 1,610 |
| Purchased Services | 872,324 | 852,652 | 852,586 | 66 |
| Materials and Supplies | 1,014,983 | 992,094 | 970,935 | 21,159 |
| Capital Outlay | 846,077 | 826,997 | 826,654 | 343 |
| Total Regular | <u>23,151,447</u> | <u>22,654,970</u> | <u>22,626,298</u> | <u>28,672</u> |
| Special | | | | |
| Salaries | 4,580,814 | 4,477,510 | 4,473,558 | 3,952 |
| Fringe Benefits | 1,981,639 | 1,936,950 | 1,936,160 | 790 |
| Purchased Services | 2,067,758 | 2,021,127 | 1,887,099 | 134,028 |
| Materials and Supplies | 82,501 | 80,641 | 80,441 | 200 |
| Capital Outlay | 22,467 | 21,960 | 21,954 | 6 |
| Total Special | <u>8,735,179</u> | <u>8,538,188</u> | <u>8,399,212</u> | <u>138,976</u> |
| Vocational | | | | |
| Salaries | 213,804 | 209,960 | 209,944 | 16 |
| Fringe Benefits | 72,195 | 70,567 | 70,277 | 290 |
| Materials and Supplies | 1,000 | 0 | 0 | 0 |
| Total Vocational | <u>286,999</u> | <u>280,527</u> | <u>280,221</u> | <u>306</u> |
| Student Intervention Services | | | | |
| Fringe Benefits | 16,543 | 0 | 0 | 0 |
| Purchased Services | 93,000 | 107,073 | 107,035 | 38 |
| Total Student Intervention Services | <u>109,543</u> | <u>107,073</u> | <u>107,035</u> | <u>38</u> |
| Total Instruction | <u>\$32,283,168</u> | <u>\$31,580,758</u> | <u>\$31,412,766</u> | <u>\$167,992</u> |

(continued)

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|----------------------------------|--------------------|--------------------|--------------------|---|
| Support Services: | | | | |
| Pupils | | | | |
| Salaries | \$2,624,157 | \$2,564,979 | \$2,560,035 | \$4,944 |
| Fringe Benefits | 956,059 | 934,498 | 930,700 | 3,798 |
| Purchased Services | 1,037,601 | 1,014,202 | 1,003,981 | 10,221 |
| Materials and Supplies | 51,945 | 50,774 | 50,599 | 175 |
| Capital Outlay | 2,994 | 2,926 | 2,880 | 46 |
| Total Pupils | 4,672,756 | 4,567,379 | 4,548,195 | 19,184 |
| Instructional Staff | | | | |
| Salaries | 707,392 | 691,439 | 680,695 | 10,744 |
| Fringe Benefits | 281,275 | 274,932 | 274,862 | 70 |
| Purchased Services | 23,829 | 23,292 | 13,226 | 10,066 |
| Materials and Supplies | 51,405 | 50,246 | 50,117 | 129 |
| Capital Outlay | 3,504 | 3,425 | 0 | 3,425 |
| Other | 10,929 | 10,682 | 7,387 | 3,295 |
| Total Instructional Staff | 1,078,334 | 1,054,016 | 1,026,287 | 27,729 |
| Board of Education | | | | |
| Salaries | 13,907 | 13,593 | 13,593 | 0 |
| Fringe Benefits | 1,078 | 1,054 | 1,054 | 0 |
| Purchased Services | 511 | 500 | 475 | 25 |
| Materials and Supplies | 12,272 | 11,995 | 11,966 | 29 |
| Other | 12,224 | 11,948 | 11,909 | 39 |
| Total Board of Education | 39,992 | 39,090 | 38,997 | 93 |
| Administration | | | | |
| Salaries | 2,018,688 | 1,973,164 | 1,971,381 | 1,783 |
| Fringe Benefits | 937,392 | 916,253 | 915,721 | 532 |
| Purchased Services | 231,401 | 226,183 | 224,457 | 1,726 |
| Materials and Supplies | 18,495 | 18,078 | 18,013 | 65 |
| Capital Outlay | 34,917 | 34,129 | 34,064 | 65 |
| Other | 28,587 | 27,942 | 27,854 | 88 |
| Total Administration | 3,269,480 | 3,195,749 | 3,191,490 | 4,259 |
| Fiscal | | | | |
| Salaries | 461,784 | 451,370 | 451,255 | 115 |
| Fringe Benefits | 225,768 | 220,677 | 219,013 | 1,664 |
| Purchased Services | 80,759 | 78,938 | 78,628 | 310 |
| Materials and Supplies | 4,266 | 4,170 | 3,434 | 736 |
| Capital Outlay | 813 | 795 | 795 | 0 |
| Other | 857,256 | 789,051 | 788,917 | 134 |
| Total Fiscal | \$1,630,646 | \$1,545,001 | \$1,542,042 | \$2,959 |

(continued)

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|-------------------|-------------------|---|
| Business | | | | |
| Salaries | \$170,876 | \$167,022 | \$167,012 | \$10 |
| Fringe Benefits | 60,940 | 59,566 | 59,150 | 416 |
| Purchased Services | 105,001 | 102,633 | 102,455 | 178 |
| Materials and Supplies | 7,735 | 7,560 | 7,538 | 22 |
| Other | 5,064 | 4,950 | 4,943 | 7 |
| Total Business | 349,616 | 341,731 | 341,098 | 633 |
| Operation and Maintenance of Plant | | | | |
| Salaries | 1,634,972 | 1,598,101 | 1,595,595 | 2,506 |
| Fringe Benefits | 767,152 | 749,852 | 747,590 | 2,262 |
| Purchased Services | 2,610,127 | 2,551,265 | 2,464,394 | 86,871 |
| Materials and Supplies | 355,901 | 347,875 | 342,474 | 5,401 |
| Capital Outlay | 356,989 | 348,938 | 348,938 | 0 |
| Other | 24,108 | 23,564 | 23,564 | 0 |
| Total Operation and Maintenance of Plant | 5,749,249 | 5,619,595 | 5,522,555 | 97,040 |
| Pupil Transportation | | | | |
| Purchased Services | 4,191,584 | 4,097,058 | 4,071,747 | 25,311 |
| Materials and Supplies | 127,630 | 124,752 | 118,353 | 6,399 |
| Total Pupil Transportation | 4,319,214 | 4,221,810 | 4,190,100 | 31,710 |
| Central | | | | |
| Purchased Services | 230,296 | 225,102 | 224,872 | 230 |
| Materials and Supplies | 153,308 | 149,851 | 149,807 | 44 |
| Total Central | 383,604 | 374,953 | 374,679 | 274 |
| Total Support Services | 21,492,891 | 20,959,324 | 20,775,443 | 183,881 |
| Extracurricular Activities: | | | | |
| Academic and Subject Oriented Activities | | | | |
| Salaries | 56,095 | 54,830 | 54,042 | 788 |
| Fringe Benefits | 8,706 | 8,510 | 8,222 | 288 |
| Purchased Services | 23,464 | 22,935 | 22,935 | 0 |
| Materials and Supplies | 2,107 | 2,060 | 2,052 | 8 |
| Capital Outlay | 29,923 | 29,248 | 29,245 | 3 |
| Other | 133 | 130 | 130 | 0 |
| Total Academic and Subject Oriented Activities | \$120,428 | \$117,713 | \$116,626 | \$1,087 |

(continued)

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|---------------------|---|
| Sport Oriented Activities | | | | |
| Salaries | \$604,310 | \$590,793 | \$590,374 | \$419 |
| Fringe Benefits | 124,730 | 121,929 | 118,835 | 3,094 |
| Purchased Services | 23,673 | 23,206 | 21,102 | 2,104 |
| Capital Outlay | 19,142 | 18,710 | 18,701 | 9 |
| Other | 8,488 | 8,359 | 8,328 | 31 |
| Total Sport Oriented Activities | 780,343 | 762,997 | 757,340 | 5,657 |
| School and Public Service Co-Curricular Activities | | | | |
| Salaries | 60,106 | 58,751 | 56,085 | 2,666 |
| Fringe Benefits | 9,874 | 9,650 | 9,254 | 396 |
| Total School and Public Service Co-Curricular Activities | 69,980 | 68,401 | 65,339 | 3,062 |
| Total Extracurricular Activities | 970,751 | 949,111 | 939,305 | 9,806 |
| <i>Total Expenditures</i> | <i>54,746,810</i> | <i>53,489,193</i> | <i>53,127,514</i> | <i>361,679</i> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <i>(4,136,020)</i> | <i>(1,702,119)</i> | <i>(1,368,814)</i> | <i>333,305</i> |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (327,528) | (327,528) | (327,528) | 0 |
| <i>Net Change in Fund Balance</i> | <i>(4,463,548)</i> | <i>(2,029,647)</i> | <i>(1,696,342)</i> | <i>333,305</i> |
| <i>Fund Balance Beginning of Year</i> | <i>13,932,390</i> | <i>13,932,390</i> | <i>13,932,390</i> | <i>0</i> |
| Prior Year Encumbrances Appropriated | 1,205,548 | 1,205,548 | 1,205,548 | 0 |
| <i>Fund Balance End of Year</i> | <i>\$10,674,390</i> | <i>\$13,108,291</i> | <i>\$13,441,596</i> | <i>\$333,305</i> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|---|
| Revenues | | | |
| Intergovernmental | \$655,047 | \$655,047 | \$0 |
| Charges for Services | 118,638 | 118,669 | 31 |
| <i>Total Revenues</i> | <u>773,685</u> | <u>773,716</u> | <u>31</u> |
| Expenditures | | | |
| Food Service Operations: | | | |
| Salaries | 453,340 | 453,270 | 70 |
| Fringe Benefits | 227,845 | 226,100 | 1,745 |
| Purchased Services | 6,450 | 6,443 | 7 |
| Materials and Supplies | 226,615 | 226,614 | 1 |
| Capital Outlay | 18,650 | 18,609 | 41 |
| Other | 3,425 | 3,414 | 11 |
| <i>Total Expenditures</i> | <u>936,325</u> | <u>934,450</u> | <u>1,875</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (162,640) | (160,734) | 1,906 |
| Other Financing Sources | | | |
| Transfers In | 250,000 | 250,000 | 0 |
| <i>Net Change in Fund Balance</i> | 87,360 | 89,266 | 1,906 |
| <i>Fund Balance Beginning of Year</i> | 43,101 | 43,101 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$130,461</u> | <u>\$132,367</u> | <u>\$1,906</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|-----------------|---|
| Revenues | | | |
| Intergovernmental | \$367,952 | \$367,952 | \$0 |
| Contributions and Donations | 137,902 | 118,016 | (19,886) |
| Miscellaneous | 17 | 32 | 15 |
| <i>Total Revenues</i> | <u>505,871</u> | <u>486,000</u> | <u>(19,871)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | | | |
| Purchased Services | 2,000 | 2,000 | 0 |
| Materials and Supplies | 9,137 | 9,046 | 91 |
| Capital Outlay | 48,079 | 47,917 | 162 |
| Total Regular | <u>59,216</u> | <u>58,963</u> | <u>253</u> |
| Special | | | |
| Materials and Supplies | 3,964 | 0 | 3,964 |
| Total Instruction | <u>63,180</u> | <u>58,963</u> | <u>4,217</u> |
| Support Services: | | | |
| Pupils | | | |
| Purchased Services | 28,222 | 28,222 | 0 |
| Materials and Supplies | 184,969 | 183,633 | 1,336 |
| Capital Outlay | 173,335 | 173,335 | 0 |
| Total Pupils | <u>386,526</u> | <u>385,190</u> | <u>1,336</u> |
| Instructional Staff | | | |
| Materials and Supplies | 2,501 | 2,495 | 6 |
| Capital Outlay | 499 | 499 | 0 |
| Total Instructional Staff | <u>3,000</u> | <u>2,994</u> | <u>6</u> |
| Total Support Services | <u>389,526</u> | <u>388,184</u> | <u>1,342</u> |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Other | 21,136 | 21,000 | 136 |
| Extracurricular Activities: | | | |
| School and Public Service Co-Curricular Activities | | | |
| Salaries | 500 | 500 | 0 |
| Fringe Benefits | 76 | 58 | 18 |
| Purchased Services | 17,179 | 17,179 | 0 |
| Total Extracurricular Activities | <u>17,755</u> | <u>17,737</u> | <u>18</u> |
| <i>Total Expenditures</i> | <u>491,597</u> | <u>485,884</u> | <u>5,713</u> |
| <i>Net Change in Fund Balance</i> | 14,274 | 116 | (14,158) |
| <i>Fund Balance Beginning of Year</i> | <u>63,551</u> | <u>63,551</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$77,825</u> | <u>\$63,667</u> | <u>(\$14,158)</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
High School Bookstore Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------------|---|
| Revenues | | | |
| Tuition and Fees | \$1,000 | \$219 | (\$781) |
| Expenditures | 0 | 0 | 0 |
| <i>Net Change in Fund Balance</i> | 1,000 | 219 | (781) |
| <i>Fund Balance Beginning of Year</i> | 7,240 | 7,240 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$8,240</u> | <u>\$7,459</u> | <u>(\$781)</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Student Activities Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|-----------------|---|
| Revenues | | | |
| Extracurricular Activities | \$169,854 | \$58,967 | (\$110,887) |
| Contributions and Donations | 5,666 | 5,666 | 0 |
| <i>Total Revenues</i> | <u>175,520</u> | <u>64,633</u> | <u>(110,887)</u> |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | | | |
| Materials and Supplies | 1,020 | 0 | 1,020 |
| Vocational | | | |
| Other | 5,180 | 5,180 | 0 |
| Total Instruction | <u>6,200</u> | <u>5,180</u> | <u>1,020</u> |
| Extracurricular Activities: | | | |
| Academic and Subject Oriented Activities | | | |
| Purchased Services | 98,877 | 98,627 | 250 |
| Materials and Supplies | 3,400 | 2,966 | 434 |
| Other | 9,510 | 2,846 | 6,664 |
| Total Academic and Subject Oriented Activities | <u>111,787</u> | <u>104,439</u> | <u>7,348</u> |
| Occupation Oriented Activities | | | |
| Other | 1,140 | 0 | 1,140 |
| School and Public Service Co-Curricular Activities | | | |
| Other | 67,998 | 49,943 | 18,055 |
| Total Extracurricular Activities | <u>180,925</u> | <u>154,382</u> | <u>26,543</u> |
| <i>Total Expenditures</i> | <u>187,125</u> | <u>159,562</u> | <u>27,563</u> |
| <i>Net Change in Fund Balance</i> | (11,605) | (94,929) | (83,324) |
| <i>Fund Balance Beginning of Year</i> | 159,230 | 159,230 | 0 |
| Prior Year Encumbrances Appropriated | 26,129 | 26,129 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$173,754</u> | <u>\$90,430</u> | <u>(\$83,324)</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Activities Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|------------------|---|
| Revenues | | | |
| Extracurricular Activities | \$262,536 | \$262,997 | \$461 |
| Rentals | 5 | 5 | 0 |
| <i>Total Revenues</i> | <u>262,541</u> | <u>263,002</u> | <u>461</u> |
| Expenditures | | | |
| Extracurricular Activities: | | | |
| Academic and Subject Oriented Activities | | | |
| Materials and Supplies | 190 | 0 | 190 |
| Other | 2,050 | 0 | 2,050 |
| Total Academic and Subject Oriented Activities | <u>2,240</u> | <u>0</u> | <u>2,240</u> |
| Sport Oriented Activities | | | |
| Salaries | 9,579 | 9,579 | 0 |
| Fringe Benefits | 1,520 | 1,520 | 0 |
| Purchased Services | 137,221 | 89,912 | 47,309 |
| Materials and Supplies | 23,251 | 18,983 | 4,268 |
| Capital Outlay | 7,911 | 6,286 | 1,625 |
| Other | 240,643 | 176,158 | 64,485 |
| Total Sport Oriented Activities | <u>420,125</u> | <u>302,438</u> | <u>117,687</u> |
| School and Public Service Co-Curricular Activities | | | |
| Purchased Services | 27,220 | 0 | 27,220 |
| Materials and Supplies | 4,800 | 1,714 | 3,086 |
| Other | 10,200 | 2,550 | 7,650 |
| Total School and Public Service Co-Curricular Activities | <u>42,220</u> | <u>4,264</u> | <u>37,956</u> |
| <i>Total Expenditures</i> | <u>464,585</u> | <u>306,702</u> | <u>157,883</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (202,044) | (43,700) | 158,344 |
| Other Financing Sources (Uses) | | | |
| Transfers In | 15,000 | 15,000 | 0 |
| <i>Net Change in Fund Balance</i> | (187,044) | (28,700) | 158,344 |
| <i>Fund Balance Beginning of Year</i> | <u>238,719</u> | <u>238,719</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$51,675</u> | <u>\$210,019</u> | <u>\$158,344</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|----------------|---|
| Revenues | | | |
| Intergovernmental | \$364,469 | \$364,469 | \$0 |
| Interest | 70 | 70 | 0 |
| <i>Total Revenues</i> | <u>364,539</u> | <u>364,539</u> | <u>0</u> |
| Expenditures | | | |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 262,097 | 262,097 | 0 |
| Materials and Supplies | 72,036 | 71,794 | 242 |
| Capital Outlay | 17,758 | 17,758 | 0 |
| Other | 14,579 | 14,579 | 0 |
| <i>Total Expenditures</i> | <u>366,470</u> | <u>366,228</u> | <u>242</u> |
| <i>Net Change in Fund Balance</i> | (1,931) | (1,689) | 242 |
| <i>Fund Balance Beginning of Year</i> | 25 | 25 | 0 |
| Prior Year Encumbrances Appropriated | 1,906 | 1,906 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$0</u> | <u>\$242</u> | <u>\$242</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Data Communication Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Intergovernmental | \$10,800 | \$10,800 | \$0 |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Central | | | |
| Purchased Services | 10,800 | 10,800 | 0 |
| <i>Net Change in Fund Balance</i> | 0 | 0 | 0 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$0 |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Student Wellness Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|------------------|---|
| Revenues | | | |
| Intergovernmental | \$178,552 | \$178,552 | \$0 |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Pupils | | | |
| Purchased Services | 218,115 | 85,500 | 132,615 |
| <i>Net Change in Fund Balance</i> | (39,563) | 93,052 | 132,615 |
| <i>Fund Balance Beginning of Year</i> | 39,563 | 39,563 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$0</u> | <u>\$132,615</u> | <u>\$132,615</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Intergovernmental | \$25,320 | \$25,144 | (\$176) |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Pupils | | | |
| Purchased Services | 24,898 | 24,898 | 0 |
| Materials and Supplies | 421 | 413 | 8 |
| <i>Total Expenditures</i> | 25,319 | 25,311 | 8 |
| <i>Net Change in Fund Balance</i> | 1 | (167) | (168) |
| <i>Fund Deficit Beginning of Year</i> | (4) | (4) | 0 |
| Prior Year Encumbrances Appropriated | 171 | 171 | 0 |
| <i>Fund Balance End of Year</i> | \$168 | \$0 | (\$168) |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Elementary and Secondary School Emergency Relief Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|------------|---|
| Revenues | | | |
| Intergovernmental | \$1,236,803 | \$186,492 | (\$1,050,311) |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | | | |
| Salaries | 242,000 | 0 | 242,000 |
| Fringe Benefits | 42,000 | 0 | 42,000 |
| Purchased Services | 300,705 | 0 | 300,705 |
| Capital Outlay | 374,000 | 0 | 374,000 |
| Total Instruction | 958,705 | 0 | 958,705 |
| Support Services: | | | |
| Pupils | | | |
| Salaries | 22,000 | 0 | 22,000 |
| Fringe Benefits | 4,000 | 0 | 4,000 |
| Total Pupils | 26,000 | 0 | 26,000 |
| Instructional Staff | | | |
| Purchased Services | 217,045 | 201,605 | 15,440 |
| Total Support Services | 243,045 | 201,605 | 41,440 |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 15,906 | 15,906 | 0 |
| Materials and Supplies | 8,147 | 8,147 | 0 |
| Capital Outlay | 11,000 | 11,000 | 0 |
| Total Operation of Non-Instructional Services | 35,053 | 35,053 | 0 |
| <i>Total Expenditures</i> | 1,236,803 | 236,658 | 1,000,145 |
| <i>Net Change in Fund Balance</i> | 0 | (50,166) | (50,166) |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$0 | (\$50,166) | (\$50,166) |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Coronavirus Relief Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|-----------|---|
| Revenues | | | |
| Intergovernmental | \$191,462 | \$191,462 | \$0 |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Operation and Maintenance of Plant | | | |
| Materials and Supplies | 181,462 | 181,462 | 0 |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 10,000 | 10,000 | 0 |
| <i>Total Expenditures</i> | 191,462 | 191,462 | 0 |
| <i>Net Change in Fund Balance</i> | 0 | 0 | 0 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$0 |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|-------------|---|
| Revenues | | | |
| Intergovernmental | \$1,028,495 | \$463,845 | (\$564,650) |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | | | |
| Materials and Supplies | 2,000 | 1,979 | 21 |
| Special | | | |
| Salaries | 750 | 750 | 0 |
| Purchased Services | 525,506 | 361,956 | 163,550 |
| Total Special | 526,256 | 362,706 | 163,550 |
| Total Instruction | 528,256 | 364,685 | 163,571 |
| Support Services: | | | |
| Pupils | | | |
| Purchased Services | 113,000 | 111,560 | 1,440 |
| Instructional Staff | | | |
| Purchased Services | 86,473 | 14,265 | 72,208 |
| Pupil Transportation | | | |
| Purchased Services | 250,000 | 75,000 | 175,000 |
| Total Support Services | 449,473 | 200,825 | 248,648 |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 26,440 | 26,440 | 0 |
| <i>Total Expenditures</i> | 1,004,169 | 591,950 | 412,219 |
| <i>Net Change in Fund Balance</i> | 24,326 | (128,105) | (152,431) |
| <i>Fund Deficit Beginning of Year</i> | (34,624) | (34,624) | 0 |
| Prior Year Encumbrances Appropriated | 10,777 | 10,777 | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$479 | (\$151,952) | (\$152,431) |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|-----------|---|
| Revenues | | | |
| Intergovernmental | \$329,511 | \$312,567 | (\$16,944) |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | | | |
| Salaries | 23,478 | 21,406 | 2,072 |
| Fringe Benefits | 5,000 | 3,213 | 1,787 |
| Purchased Services | 278,839 | 272,161 | 6,678 |
| Materials and Supplies | 6,256 | 4,036 | 2,220 |
| Total Instruction | 313,573 | 300,816 | 12,757 |
| Support Services: | | | |
| Administration | | | |
| Purchased Services | 5,000 | 5,000 | 0 |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 4,839 | 4,839 | 0 |
| <i>Total Expenditures</i> | 323,412 | 310,655 | 12,757 |
| <i>Net Change in Fund Balance</i> | 6,099 | 1,912 | (4,187) |
| <i>Fund Deficit Beginning of Year</i> | (6,072) | (6,072) | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$27 | (\$4,160) | (\$4,187) |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Reducing Class Size Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-----------------|-----------|---|
| Revenues | | | |
| Intergovernmental | \$160,621 | \$122,151 | (\$38,470) |
| Expenditures | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | | | |
| Salaries | 8,000 | 0 | 8,000 |
| Fringe Benefits | 1,360 | 0 | 1,360 |
| Materials and Supplies | 640 | 0 | 640 |
| Total Instruction | 10,000 | 0 | 10,000 |
| Support Services: | | | |
| Instructional Staff | | | |
| Salaries | 114,151 | 97,283 | 16,868 |
| Fringe Benefits | 22,937 | 13,888 | 9,049 |
| Total Support Services | 137,088 | 111,171 | 25,917 |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 7,714 | 7,714 | 0 |
| Total Expenditures | 154,802 | 118,885 | 35,917 |
| Net Change in Fund Balance | 5,819 | 3,266 | (2,553) |
| Fund Deficit Beginning of Year | (3,172) | (3,172) | 0 |
| Fund Balance End of Year | \$2,647 | \$94 | (\$2,553) |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-----------------|-----------|---|
| Revenues | | | |
| Intergovernmental | \$41,506 | \$13,137 | (\$28,369) |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff | | | |
| Purchased Services | 37,150 | 10,700 | 26,450 |
| Operation of Non-Instructional Services: | | | |
| Community Services | | | |
| Purchased Services | 1,919 | 1,916 | 3 |
| <i>Total Expenditures</i> | 39,069 | 12,616 | 26,453 |
| <i>Net Change in Fund Balance</i> | 2,437 | 521 | (1,916) |
| <i>Fund Deficit Beginning of Year</i> | (2,437) | (2,437) | 0 |
| <i>Fund Balance (Deficit) End of Year</i> | \$0 | (\$1,916) | (\$1,916) |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|---|
| Revenues | | | |
| Extracurricular Activities | \$3,120 | \$3,120 | \$0 |
| Contributions and Donations | 4,631 | 5,706 | 1,075 |
| Miscellaneous | 15,180 | 15,180 | 0 |
| <i>Total Revenues</i> | <u>22,931</u> | <u>24,006</u> | <u>1,075</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Pupils | | | |
| Other | 75 | 0 | 75 |
| Instructional Staff | | | |
| Other | 550 | 0 | 550 |
| Total Support Services | <u>625</u> | <u>0</u> | <u>625</u> |
| Extracurricular Activities: | | | |
| Academic and Subject Oriented Activities | | | |
| Purchased Services | 2,600 | 1,562 | 1,038 |
| Materials and Supplies | 43,345 | 27,154 | 16,191 |
| Capital Outlay | 850 | 520 | 330 |
| Other | 14,550 | 12,803 | 1,747 |
| Total Academic and Subject Oriented Activities | <u>61,345</u> | <u>42,039</u> | <u>19,306</u> |
| School and Public Service Co-Curricular Activities | | | |
| Materials and Supplies | 4,555 | 0 | 4,555 |
| Total Extracurricular Activities | <u>65,900</u> | <u>42,039</u> | <u>23,861</u> |
| <i>Total Expenditures</i> | <u>66,525</u> | <u>42,039</u> | <u>24,486</u> |
| <i>Net Change in Fund Balance</i> | (43,594) | (18,033) | 25,561 |
| <i>Fund Balance Beginning of Year</i> | 141,597 | 141,597 | 0 |
| Prior Year Encumbrances Appropriated | <u>2,770</u> | <u>2,770</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$100,773</u> | <u>\$126,334</u> | <u>\$25,561</u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---------------------------|---------------------------|---|
| Revenues | | | |
| Property Taxes | \$2,889,607 | \$2,889,607 | \$0 |
| Intergovernmental | 361,946 | 361,943 | (3) |
| <i>Total Revenues</i> | <u>3,251,553</u> | <u>3,251,550</u> | <u>(3)</u> |
| Expenditures | | | |
| Current: | | | |
| Support Services: | | | |
| Fiscal | | | |
| Other | 48,312 | 48,312 | 0 |
| Debt Service: | | | |
| Principal Retirement | 2,641,909 | 2,641,909 | 0 |
| Interest and Fiscal Charges | 542,768 | 542,768 | 0 |
| Total Debt Service | <u>3,184,677</u> | <u>3,184,677</u> | <u>0</u> |
| <i>Total Expenditures</i> | <u>3,232,989</u> | <u>3,232,989</u> | <u>0</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 18,564 | 18,561 | (3) |
| Other Financing Sources | | | |
| Transfers In | 62,528 | 62,528 | 0 |
| <i>Net Change in Fund Balance</i> | 81,092 | 81,089 | (3) |
| <i>Fund Balance Beginning of Year</i> | <u>1,448,860</u> | <u>1,448,860</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$1,529,952</u></u> | <u><u>\$1,529,949</u></u> | <u><u>(\$3)</u></u> |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|----------|---|
| Revenues | | | |
| Miscellaneous | \$198 | \$198 | \$0 |
| Expenditures | 0 | 0 | 0 |
| <i>Net Change in Fund Balance</i> | 198 | 198 | 0 |
| <i>Fund Balance Beginning of Year</i> | 15,023 | 15,023 | 0 |
| <i>Fund Balance End of Year</i> | \$15,221 | \$15,221 | \$0 |

Nordonia Hills City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2021

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-----------------|-----------|---|
| Revenues | | | |
| Contributions and Donations | \$39,796 | \$41,897 | \$2,101 |
| Rentals | 1,500 | 1,500 | 0 |
| <i>Total Revenues</i> | 41,296 | 43,397 | 2,101 |
| Expenditures | | | |
| Capital Outlay: | | | |
| Site Improvement Services | | | |
| Capital Outlay | 268,151 | 257,773 | 10,378 |
| <i>Net Change in Fund Balance</i> | (226,855) | (214,376) | 12,479 |
| <i>Fund Balance Beginning of Year</i> | 231,994 | 231,994 | 0 |
| <i>Fund Balance End of Year</i> | \$5,139 | \$17,618 | \$12,479 |

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Statistical
Section

Statistical Section

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

| <u>Contents</u> | <u>Page(s)</u> |
|---|-----------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time. | S2 - S11 |
| Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, the property tax. | S12 - S21 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future. | S22 - S25 |
| Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments. | S26 - S27 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs. | S28 - S37 |

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

Nordonia Hills City School District

Net Position by Component

Last Ten Fiscal Years

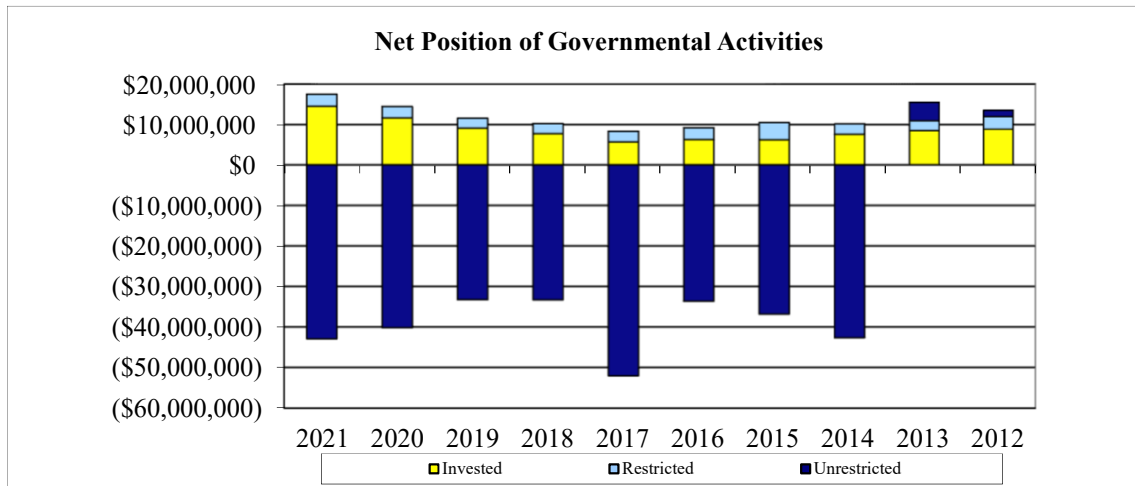
(Accrual Basis of Accounting)

| | 2021 | 2020 (1) | 2019 | 2018 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Governmental Activities: | | | | |
| Net Investment in Capital Assets | \$14,482,729 | \$11,619,502 | \$9,093,390 | \$7,763,011 |
| Restricted for: | | | | |
| Debt Service | 1,877,390 | 1,703,823 | 1,764,926 | 1,676,239 |
| Capital Projects | 32,839 | 247,017 | 242,506 | 292,638 |
| Other Purposes | 1,090,853 | 881,154 | 504,922 | 474,620 |
| Unrestricted (Deficit) | <u>(42,905,221)</u> | <u>(40,157,763)</u> | <u>(33,253,735)</u> | <u>(33,276,776)</u> |
| Total Governmental Activities Net Position | <u>(\$25,421,410)</u> | <u>(\$25,706,267)</u> | <u>(\$21,647,991)</u> | <u>(\$23,070,268)</u> |

(1) The School District reported the impact of GASB Statement No. 84 beginning in fiscal year 2020.

(2) The School District reported the impact of GASB Statement No. 75 beginning in fiscal year 2017.

(3) The School District reported the impact of GASB Statement No. 68 beginning in fiscal year 2014.



| <u>2017 (2)</u> | <u>2016</u> | <u>2015</u> | <u>2014 (3)</u> | <u>2013</u> | <u>2012</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------------|
| \$5,670,558 | \$6,288,133 | \$6,204,815 | \$7,581,884 | \$8,509,093 | \$8,850,162 |
| 1,412,544 | 1,958,030 | 2,096,504 | 1,739,717 | 1,328,964 | 1,369,449 |
| 740,116 | 343,234 | 1,717,079 | 398,112 | 692,565 | 1,233,186 |
| 504,800 | 614,083 | 478,775 | 442,212 | 379,531 | 526,632 |
| <u>(52,040,309)</u> | <u>(33,622,185)</u> | <u>(36,780,435)</u> | <u>(42,634,928)</u> | <u>4,586,389</u> | <u>1,529,032</u> |
| <u>(\$43,712,291)</u> | <u>(\$24,418,705)</u> | <u>(\$26,283,262)</u> | <u>(\$32,473,003)</u> | <u>\$15,496,542</u> | <u>\$13,508,461</u> |

Nordonia Hills City School District

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

| | 2021 (1) | 2020 | 2019 | 2018 (2) |
|---|-------------------|-------------------|-------------------|-------------------|
| Expenses | | | | |
| Governmental Activities: | | | | |
| Regular Instruction | \$25,250,024 | \$24,537,043 | \$18,319,999 | \$7,156,800 |
| Special Instruction | 8,922,887 | 9,516,804 | 7,340,313 | 4,517,844 |
| Vocational Instruction | 350,203 | 325,210 | 220,308 | 77,172 |
| Adult/Continuing | 0 | 0 | 0 | 0 |
| Student Intervention Services | 107,035 | 74,012 | 64,094 | 110,236 |
| Pupils | 5,530,106 | 4,830,930 | 3,867,045 | 2,131,254 |
| Instructional Staff | 1,429,048 | 1,324,063 | 1,105,800 | 879,975 |
| Board of Education | 38,320 | 31,790 | 37,401 | 34,898 |
| Administration | 3,394,406 | 3,295,234 | 2,851,513 | 2,079,175 |
| Fiscal | 1,600,811 | 1,476,386 | 1,470,958 | 1,148,960 |
| Business | 343,402 | 353,359 | 321,436 | 294,688 |
| Operation and Maintenance of Plant | 5,150,407 | 4,001,620 | 4,886,592 | 3,990,039 |
| Pupil Transportation | 3,584,347 | 3,576,665 | 3,859,972 | 3,328,068 |
| Central | 426,560 | 426,355 | 433,315 | 321,506 |
| Operation of Non-Instructional Services | 460,243 | 428,262 | 502,244 | 449,093 |
| Food Service Operations | 1,048,789 | 1,286,149 | 1,088,644 | 960,011 |
| Extracurricular Activities | 1,541,760 | 1,532,935 | 1,491,841 | 1,405,852 |
| Interest and Fiscal Charges | 400,812 | 515,489 | 625,197 | 731,377 |
| <i>Total Governmental Activities Expenses</i> | <i>59,579,160</i> | <i>57,532,306</i> | <i>48,486,672</i> | <i>29,616,948</i> |
| Program Revenues | | | | |
| Governmental Activities: | | | | |
| Charges for Services | | | | |
| Regular Instruction | 455,686 | 334,237 | 499,608 | 517,743 |
| Special Instruction | 152,911 | 120,382 | 166,437 | 171,102 |
| Vocational Instruction | 5,614 | 4,158 | 5,168 | 5,117 |
| Student Intervention Services | 2,053 | 1,110 | 1,457 | 2,583 |
| Pupils Support | 88,759 | 63,496 | 91,497 | 78,943 |
| Instructional Staff Support | 19,500 | 15,758 | 23,087 | 22,613 |
| Board of Education | 735 | 477 | 850 | 818 |
| Administration | 62,100 | 46,042 | 67,878 | 70,714 |
| Fiscal | 29,381 | 20,611 | 31,219 | 26,817 |
| Business | 6,442 | 5,033 | 7,145 | 7,109 |
| Operation and Maintenance of Plant | 102,763 | 67,709 | 103,260 | 89,615 |
| Pupil Transportation | 66,923 | 53,394 | 84,909 | 72,619 |
| Central | 6,812 | 5,757 | 8,292 | 7,477 |
| Operation of Non-Instructional Services | 0 | 0 | 0 | 0 |
| Food Service Operations | 118,669 | 649,812 | 783,251 | 721,518 |
| Extracurricular Activities | 613,006 | 750,317 | 914,743 | 870,419 |
| Operating Grants and Contributions | | | | |
| Regular Instruction | 353,274 | 307,150 | 828,893 | 199,972 |
| Special Instruction | 842,780 | 1,010,741 | 326,668 | 751,822 |
| Vocational Instruction | 14,798 | 14,798 | 14,798 | 14,798 |
| Student Intervention Services | 0 | 0 | 0 | 0 |
| Pupil Support | 758,007 | 193,044 | 84,370 | 169,467 |
| Instructional Staff Support | 301,156 | 94,133 | 117,607 | 92,218 |
| Administration | 5,000 | 5,930 | 0 | 3,286 |
| Fiscal | 0 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 181,462 | 11,510 | 0 | 0 |
| Pupil Transportation | 98,258 | 106,556 | 283,159 | 360,136 |
| Central | 10,800 | 10,800 | 10,800 | 10,800 |
| Operation of Non-Instructional Services | 471,963 | 414,512 | 420,846 | 472,999 |
| Food Service Operations | 655,620 | 271,089 | 277,217 | 297,941 |
| Extracurricular Activities | 23,403 | 17,122 | 29,797 | 27,119 |

| 2017 | 2016 | 2015 (3) | 2014 | 2013 | 2012 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$21,336,416 | \$20,056,808 | \$18,550,105 | \$18,738,003 | \$18,249,173 | \$17,230,661 |
| 8,386,796 | 6,446,142 | 6,108,542 | 6,036,343 | 5,390,882 | 4,092,913 |
| 245,654 | 145,074 | 138,542 | 140,339 | 127,008 | 105,638 |
| 0 | 0 | 0 | 0 | 0 | 17,990 |
| 28,330 | 85,845 | 85,303 | 87,536 | 133,867 | 941,216 |
| 3,653,397 | 3,374,388 | 3,164,056 | 3,084,212 | 2,836,378 | 3,679,370 |
| 1,062,066 | 959,523 | 911,162 | 891,630 | 693,943 | 868,221 |
| 29,157 | 28,803 | 26,999 | 25,382 | 16,058 | 101,811 |
| 3,006,711 | 2,839,587 | 2,601,135 | 2,751,025 | 2,581,795 | 2,659,546 |
| 1,331,423 | 1,388,959 | 1,157,432 | 1,455,160 | 1,482,023 | 1,182,471 |
| 296,297 | 333,196 | 310,434 | 322,065 | 289,958 | 259,360 |
| 4,010,472 | 4,091,712 | 3,927,891 | 3,849,829 | 3,725,872 | 3,747,786 |
| 3,173,180 | 2,935,119 | 2,338,284 | 2,391,133 | 2,370,306 | 2,355,359 |
| 339,210 | 637,809 | 383,035 | 695,317 | 1,001,531 | 907,526 |
| 1,034,359 | 567,067 | 703,621 | 656,335 | 724,346 | 592,258 |
| 969,192 | 1,221,780 | 1,193,894 | 1,295,629 | 1,239,531 | 1,276,824 |
| 1,840,343 | 1,471,574 | 1,868,849 | 1,925,689 | 1,740,542 | 1,468,048 |
| 1,005,373 | 1,391,929 | 1,475,149 | 1,704,189 | 1,906,793 | 1,799,548 |
| 51,748,376 | 47,975,315 | 44,944,433 | 46,049,816 | 44,510,006 | 43,286,546 |
| 560,033 | 428,931 | 450,421 | 379,065 | 420,685 | 324,125 |
| 198,768 | 122,222 | 129,215 | 114,168 | 117,356 | 65,386 |
| 5,529 | 2,375 | 2,545 | 2,245 | 2,273 | 1,320 |
| 780 | 1,750 | 1,911 | 1,732 | 3,135 | 16,412 |
| 88,538 | 66,184 | 70,390 | 56,043 | 47,347 | 42,553 |
| 24,430 | 17,926 | 17,594 | 20,350 | 13,211 | 12,401 |
| 803 | 587 | 605 | 502 | 376 | 1,775 |
| 78,349 | 57,939 | 59,596 | 92,575 | 59,400 | 45,934 |
| 34,377 | 27,273 | 24,995 | 35,730 | 32,659 | 19,609 |
| 7,743 | 6,740 | 6,982 | 9,620 | 6,715 | 4,465 |
| 98,335 | 73,458 | 80,923 | 95,187 | 78,452 | 58,482 |
| 81,927 | 53,391 | 46,945 | 42,364 | 51,324 | 37,611 |
| 7,612 | 10,240 | 8,165 | 12,464 | 18,264 | 12,285 |
| 0 | 0 | 0 | 10 | 7 | 0 |
| 720,936 | 761,374 | 762,755 | 827,776 | 882,968 | 982,010 |
| 871,033 | 749,118 | 1,155,459 | 1,237,833 | 1,194,487 | 842,616 |
| 324,244 | 336,331 | 349,410 | 318,550 | 627,752 | 126,809 |
| 815,286 | 732,920 | 860,647 | 557,684 | 3,984 | 0 |
| 15,216 | 1,309 | 1,761 | 1,733 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 177,408 | 135,089 | 109,746 | 441,240 | 767,682 | 883,376 |
| 63,413 | 58,300 | 95,779 | 127,103 | 73,047 | 92,750 |
| 0 | 0 | 2,541 | 2,083 | 2,174 | 71 |
| 0 | 0 | 0 | 0 | 1,109 | 1,103 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 260,239 | 310,512 | 254,253 | 232,679 | 30,555 | 14,198 |
| 10,800 | 10,800 | 10,800 | 10,800 | 122,593 | 48,335 |
| 688,038 | 693,368 | 672,218 | 658,284 | 671,230 | 590,809 |
| 343,876 | 367,246 | 354,439 | 406,274 | 428,304 | 391,662 |
| 25,019 | 2,889 | 96,966 | 1,720 | 0 | 0 |

(continued)

Nordonia Hills City School District
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2021 (1) | 2020 | 2019 | 2018 (2) |
|--|---------------------|----------------------|---------------------|---------------------|
| Capital Grants and Contributions | | | | |
| Operation and Maintenance of Plant | \$41,897 | \$900 | \$0 | \$55,000 |
| <i>Total Governmental Activities Program Revenues</i> | <u>5,489,772</u> | <u>4,596,578</u> | <u>5,182,956</u> | <u>5,120,765</u> |
| Net (Expense)/Revenue | <u>(54,089,388)</u> | <u>(52,935,728)</u> | <u>(43,303,716)</u> | <u>(24,496,183)</u> |
| General Revenues | | | | |
| Governmental Activities: | | | | |
| Property Taxes Levied for: | | | | |
| General Purposes | 39,976,258 | 34,030,045 | 30,348,674 | 31,014,273 |
| Debt Service | 2,972,345 | 2,734,257 | 2,854,001 | 3,113,957 |
| Capital Projects | 0 | 0 | 0 | 0 |
| Payments in Lieu of Taxes | 1,924,340 | 2,331,129 | 1,873,633 | 1,316,449 |
| Grants and Entitlements not | | | | |
| Restricted to Specific Programs | 8,760,292 | 9,003,170 | 9,069,582 | 9,330,679 |
| Unrestricted Contributions and Donations | 7,231 | 2,306 | 3,673 | 2,740 |
| Investment Earnings | 518,234 | 356,721 | 412,667 | 186,390 |
| Gain on Sale of Capital Assets | 0 | 0 | 9,441 | 0 |
| Miscellaneous | 215,545 | 234,465 | 154,322 | 173,718 |
| <i>Total Governmental Activities General Revenues</i> | <u>54,374,245</u> | <u>48,692,093</u> | <u>44,725,993</u> | <u>45,138,206</u> |
| <i>Total Primary Government Change in Net Position</i> | <u>\$284,857</u> | <u>(\$4,243,635)</u> | <u>\$1,422,277</u> | <u>\$20,642,023</u> |

(1) Revenues and expenses are first impacted by the implementation of GASB Statement No. 84 beginning in fiscal year 2021

(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in fiscal year 2018

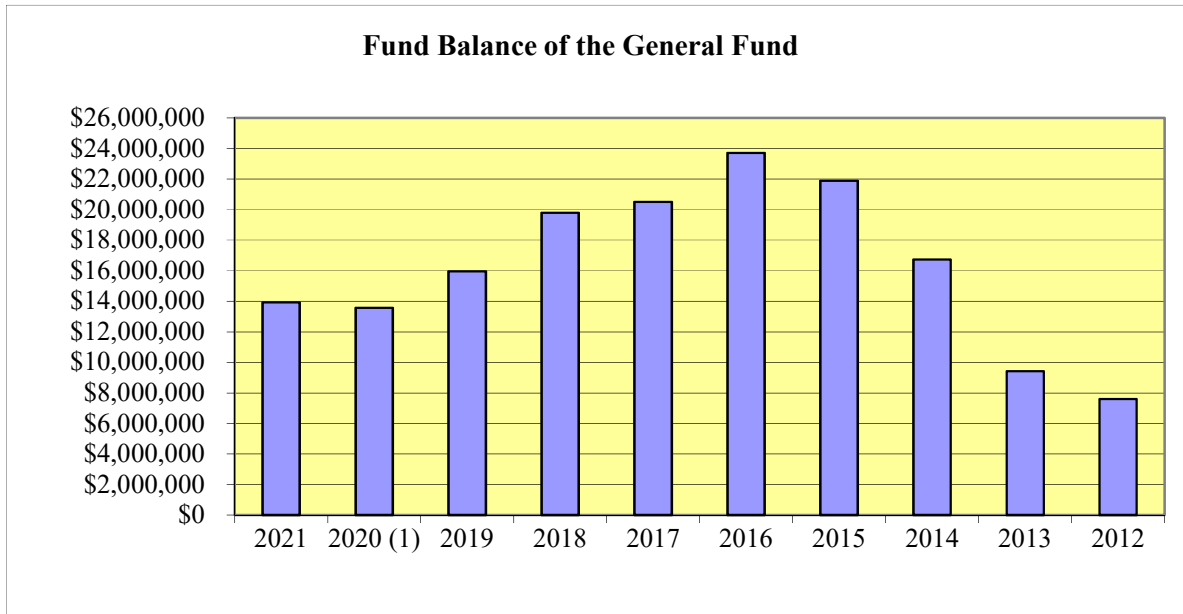
(3) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in fiscal year 2015

| 2017 | 2016 | 2015 (3) | 2014 | 2013 | 2012 |
|---------------|--------------|--------------|--------------|--------------|--------------|
| \$20,700 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 5,523,432 | 5,028,272 | 5,627,061 | 5,685,814 | 5,657,089 | 4,616,097 |
| (46,224,944) | (42,947,043) | (39,317,372) | (40,364,002) | (38,852,917) | (38,670,449) |
| 26,549,659 | 29,664,006 | 29,871,761 | 32,584,461 | 26,454,225 | 26,954,060 |
| 2,550,927 | 2,908,269 | 3,052,809 | 3,394,591 | 2,785,818 | 2,994,057 |
| 0 | 0 | 0 | 0 | 15 | 165,583 |
| 1,723,253 | 1,285,013 | 968,477 | 483,379 | 225,094 | 0 |
| 10,577,845 | 10,557,986 | 10,770,864 | 11,160,608 | 11,278,886 | 11,269,425 |
| 3,357 | 3,106 | 0 | 0 | 0 | 0 |
| 74,557 | 158,769 | 39,382 | 19,396 | 13,741 | 11,240 |
| 0 | 0 | 526,951 | 0 | 5,295 | 0 |
| 121,611 | 234,451 | 276,869 | 79,252 | 77,924 | 137,165 |
| 41,601,209 | 44,811,600 | 45,507,113 | 47,721,687 | 40,840,998 | 41,531,530 |
| (\$4,623,735) | \$1,864,557 | \$6,189,741 | \$7,357,685 | \$1,988,081 | \$2,861,081 |

Nordonia Hills City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2021 | 2020 (1) | 2019 | 2018 |
|---|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Nonspendable | \$214,091 | \$147,793 | \$131,757 | \$139,668 |
| Committed | 495,649 | 0 | 0 | 0 |
| Assigned | 1,960,427 | 1,524,289 | 9,899,688 | 6,436,382 |
| Unassigned | 11,251,906 | 11,898,737 | 5,920,698 | 13,221,534 |
| Total General Fund | 13,922,073 | 13,570,819 | 15,952,143 | 19,797,584 |
| All Other Governmental Funds | | | | |
| Nonspendable | 6,403 | 6,726 | 5,853 | 6,566 |
| Restricted | 2,476,944 | 2,512,096 | 2,368,913 | 2,309,209 |
| Committed | 7,459 | 7,240 | 7,771 | 7,702 |
| Unassigned (Deficit) | (42,619) | (63,994) | (104,366) | (75,708) |
| Total All Other Governmental Funds | 2,448,187 | 2,462,068 | 2,278,171 | 2,247,769 |
| Total Governmental Funds | \$16,370,260 | \$16,032,887 | \$18,230,314 | \$22,045,353 |

(1) The School District reported the impact of GASB Statement No. 84 beginning in fiscal year 2020.



| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$116,888 | \$50,363 | \$50,158 | \$44,951 | \$44,626 | \$46,854 |
| 0 | 0 | 0 | 0 | 63,370 | 0 |
| 4,761,158 | 363,379 | 2,317,045 | 676,253 | 371,891 | 1,498,652 |
| 15,628,682 | 23,297,679 | 19,523,941 | 16,007,826 | 8,942,703 | 6,042,002 |
| 20,506,728 | 23,711,421 | 21,891,144 | 16,729,030 | 9,422,590 | 7,587,508 |
| 5,192 | 3,067 | 4,103 | 5,307 | 5,693 | 5,541 |
| 2,424,211 | 2,694,944 | 4,231,489 | 2,538,172 | 2,434,029 | 3,142,173 |
| 7,160 | 6,247 | 9,235 | 8,498 | 0 | 0 |
| (34,358) | (148,381) | (21,654) | (534) | (1,911) | (126,885) |
| 2,402,205 | 2,555,877 | 4,223,173 | 2,551,443 | 2,437,811 | 3,020,829 |
| \$22,908,933 | \$26,267,298 | \$26,114,317 | \$19,280,473 | \$11,860,401 | \$10,608,337 |

Nordonia Hills City School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2021 (1) | 2020 | 2019 | 2018 |
|--|-------------------|----------------------|----------------------|--------------------|
| Revenues | | | | |
| Property Taxes | \$42,962,603 | \$36,764,271 | \$33,491,386 | \$34,990,039 |
| Payments in Lieu of Taxes | 1,924,340 | 2,331,129 | 1,873,633 | 1,316,449 |
| Intergovernmental | 12,062,508 | 11,470,964 | 11,216,480 | 11,656,375 |
| Interest | 518,304 | 356,757 | 412,691 | 186,477 |
| Tuition and Fees | 804,974 | 946,813 | 901,503 | 1,049,516 |
| Charges for Services | 133,248 | 671,561 | 815,147 | 755,890 |
| Extracurricular Activities | 585,348 | 690,343 | 839,203 | 795,600 |
| Contributions and Donations | 172,810 | 55,050 | 65,764 | 110,636 |
| Rentals | 9,358 | 46,193 | 52,578 | 52,004 |
| Miscellaneous | 215,545 | 234,465 | 154,322 | 173,718 |
| <i>Total Revenues</i> | <u>59,389,038</u> | <u>53,567,546</u> | <u>49,822,707</u> | <u>51,086,704</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 23,150,045 | 22,155,461 | 20,607,692 | 20,623,937 |
| Special | 8,167,240 | 8,557,691 | 7,796,187 | 7,725,688 |
| Vocational | 294,059 | 271,121 | 220,107 | 215,505 |
| Adult/Continuing | 0 | 0 | 0 | 0 |
| Student Intervention Services | 107,035 | 74,012 | 64,094 | 110,236 |
| Support Services: | | | | |
| Pupils | 5,156,514 | 4,329,011 | 4,057,020 | 3,524,260 |
| Instructional Staff | 1,320,417 | 1,182,181 | 1,072,186 | 1,012,074 |
| Board of Education | 38,320 | 31,790 | 37,401 | 34,898 |
| Administration | 3,181,413 | 3,077,120 | 2,965,105 | 3,014,475 |
| Fiscal | 1,580,245 | 1,407,550 | 1,414,440 | 1,187,415 |
| Business | 337,848 | 329,705 | 316,087 | 301,735 |
| Operation and Maintenance of Plant | 5,545,147 | 4,496,575 | 4,539,670 | 3,812,387 |
| Pupil Transportation | 3,507,718 | 3,561,379 | 3,844,686 | 3,297,146 |
| Central | 366,002 | 394,771 | 375,654 | 329,840 |
| Operation of Non-Instructional Services | 455,896 | 423,915 | 461,669 | 477,410 |
| Food Service Operations | 929,583 | 1,055,732 | 1,051,996 | 1,011,612 |
| Extracurricular Activities | 1,471,733 | 1,419,943 | 1,590,228 | 1,476,060 |
| Capital Outlay | 257,773 | 0 | 53,270 | 510,824 |
| Debt Service: | | | | |
| Principal Retirement | 2,641,909 | 2,525,371 | 2,423,883 | 2,412,445 |
| Current Refunding | 0 | 0 | 0 | 0 |
| Interest and Fiscal Charges | 542,768 | 657,004 | 766,336 | 872,337 |
| Capital Appreciation Bonds Interest | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 |
| Issuance Costs | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>59,051,665</u> | <u>55,950,332</u> | <u>53,657,711</u> | <u>51,950,284</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>337,373</u> | <u>(2,382,786)</u> | <u>(3,835,004)</u> | <u>(863,580)</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 0 | 0 | 19,965 | 0 |
| Energy Conservation Bonds Issued | 0 | 0 | 0 | 0 |
| Refunding Bonds Issued | 0 | 0 | 0 | 0 |
| Premium on Debt Issuance | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 |
| Transfers In | 327,528 | 177,554 | 77,580 | 77,604 |
| Transfers Out | (327,528) | (177,554) | (77,580) | (77,604) |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>0</u> | <u>19,965</u> | <u>0</u> |
| <i>Net Change in Fund Balances</i> | <u>\$337,373</u> | <u>(\$2,382,786)</u> | <u>(\$3,815,039)</u> | <u>(\$863,580)</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 5.6% | 5.9% | 6.0% | 6.5% |

(1) Revenues and expenses are first impacted by the implementation of GASB Statement No. 84 beginning in fiscal year 2021.

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|----------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| \$28,293,069 | \$32,552,871 | \$34,061,836 | \$36,013,119 | \$29,178,336 | \$30,004,522 |
| 1,723,253 | 1,285,013 | 968,477 | 483,379 | 225,094 | 0 |
| 13,415,941 | 12,924,308 | 13,471,493 | 13,842,819 | 14,029,617 | 14,278,190 |
| 74,561 | 158,872 | 39,424 | 19,450 | 13,801 | 11,240 |
| 1,156,757 | 847,909 | 882,819 | 849,545 | 859,882 | 652,259 |
| 761,172 | 801,077 | 798,975 | 858,560 | 906,856 | 982,010 |
| 785,626 | 665,540 | 1,073,115 | 1,154,818 | 1,100,659 | 737,382 |
| 79,288 | 32,246 | 116,221 | 23,216 | 16,451 | 16,349 |
| 51,588 | 64,982 | 63,592 | 64,741 | 61,262 | 95,333 |
| 121,611 | 234,451 | 276,869 | 79,252 | 77,924 | 137,165 |
| <u>46,462,866</u> | <u>49,567,269</u> | <u>51,752,821</u> | <u>53,388,899</u> | <u>46,469,882</u> | <u>46,914,450</u> |
| 18,906,080 | 18,959,543 | 18,323,735 | 17,559,996 | 17,638,813 | 16,641,266 |
| 7,731,546 | 6,426,639 | 6,285,801 | 5,996,400 | 5,359,158 | 4,132,807 |
| 189,556 | 114,941 | 111,564 | 119,812 | 109,137 | 107,582 |
| 0 | 0 | 0 | 0 | 0 | 17,990 |
| 28,330 | 85,845 | 85,303 | 87,536 | 133,867 | 941,216 |
| 3,382,997 | 3,379,899 | 3,262,075 | 3,128,396 | 2,917,631 | 3,601,348 |
| 945,230 | 920,225 | 877,676 | 843,635 | 665,126 | 848,390 |
| 29,157 | 28,803 | 26,999 | 25,382 | 16,058 | 101,811 |
| 2,847,845 | 2,845,145 | 2,647,209 | 2,730,787 | 2,607,202 | 2,641,865 |
| 1,292,407 | 1,402,148 | 1,164,884 | 1,442,065 | 1,501,536 | 1,176,202 |
| 291,832 | 330,318 | 308,746 | 324,923 | 277,533 | 256,689 |
| 3,586,958 | 3,602,490 | 3,618,716 | 3,459,711 | 3,385,584 | 3,409,811 |
| 3,112,260 | 2,842,202 | 2,230,451 | 2,248,140 | 2,223,398 | 2,250,946 |
| 287,165 | 512,959 | 375,334 | 641,237 | 920,197 | 741,414 |
| 789,126 | 583,740 | 703,940 | 651,988 | 719,999 | 587,911 |
| 1,041,862 | 1,163,509 | 1,164,548 | 1,243,968 | 1,190,548 | 1,220,781 |
| 1,751,942 | 1,420,704 | 1,733,527 | 1,775,336 | 1,664,849 | 1,286,482 |
| 122,427 | 1,358,976 | 377,378 | 1,054,531 | 547,984 | 503,239 |
| 611,314 | 730,031 | 983,125 | 1,004,223 | 1,215,683 | 1,297,917 |
| 0 | 0 | 0 | 0 | 1,145,335 | 0 |
| 949,810 | 1,135,871 | 1,003,019 | 1,151,783 | 0 | 1,117,525 |
| 1,669,738 | 1,589,676 | 1,269,963 | 1,210,777 | 984,317 | 930,580 |
| 253,649 | 0 | 0 | 0 | 0 | 0 |
| 60,000 | 0 | 242,101 | 0 | 0 | 0 |
| <u>49,881,231</u> | <u>49,433,664</u> | <u>46,796,094</u> | <u>46,700,626</u> | <u>45,223,955</u> | <u>43,813,772</u> |
| <u>(3,418,365)</u> | <u>133,605</u> | <u>4,956,727</u> | <u>6,688,273</u> | <u>1,245,927</u> | <u>3,100,678</u> |
| 0 | 19,376 | 1,631,721 | 2,055 | 6,137 | 0 |
| 0 | 0 | 0 | 729,744 | 0 | 0 |
| 9,805,000 | 0 | 14,975,000 | 0 | 0 | 0 |
| 0 | 0 | 2,057,168 | 0 | 0 | 0 |
| (9,745,000) | 0 | (16,786,772) | 0 | 0 | 0 |
| 577,545 | 79,417 | 72,565 | 43,277 | 15,000 | 78,089 |
| <u>(577,545)</u> | <u>(79,417)</u> | <u>(72,565)</u> | <u>(43,277)</u> | <u>(15,000)</u> | <u>(78,089)</u> |
| <u>60,000</u> | <u>19,376</u> | <u>1,877,117</u> | <u>731,799</u> | <u>6,137</u> | <u>0</u> |
| <u>(\$3,358,365)</u> | <u>\$152,981</u> | <u>\$6,833,844</u> | <u>\$7,420,072</u> | <u>\$1,252,064</u> | <u>\$3,100,678</u> |
| 7.0% | 7.1% | 7.0% | 7.2% | 7.5% | 7.7% |

Nordonia Hills City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

| Real Property | | | | |
|--------------------|------------------------------|---------------------------|-----------------|------------------------------|
| Collection Year | Assessed Value | | | Estimated Actual Value |
| | Residential/ Agricultural | Commercial/ Industrial | Total | |
| 2021 | \$917,699,910 | \$177,126,560 | \$1,094,826,470 | \$3,128,075,629 |
| 2020 | 811,725,200 | 169,147,430 | 980,872,630 | 2,802,493,229 |
| 2019 | 802,390,160 | 169,194,980 | 971,585,140 | 2,775,957,543 |
| 2018 | 799,832,360 | 162,755,520 | 962,587,880 | 2,750,251,086 |
| 2017 | 743,988,280 | 182,791,410 | 926,779,690 | 2,647,941,971 |
| 2016 | 741,670,770 | 154,195,850 | 895,866,620 | 2,559,618,914 |
| 2015 | 738,025,160 | 155,684,700 | 893,709,860 | 2,553,456,743 |
| 2014 | 752,937,530 | 154,814,340 | 907,751,870 | 2,593,576,771 |
| 2013 | 750,842,030 | 153,156,060 | 903,998,090 | 2,582,851,686 |
| 2012 | 748,050,370 | 157,943,220 | 905,993,590 | 2,588,553,114 |

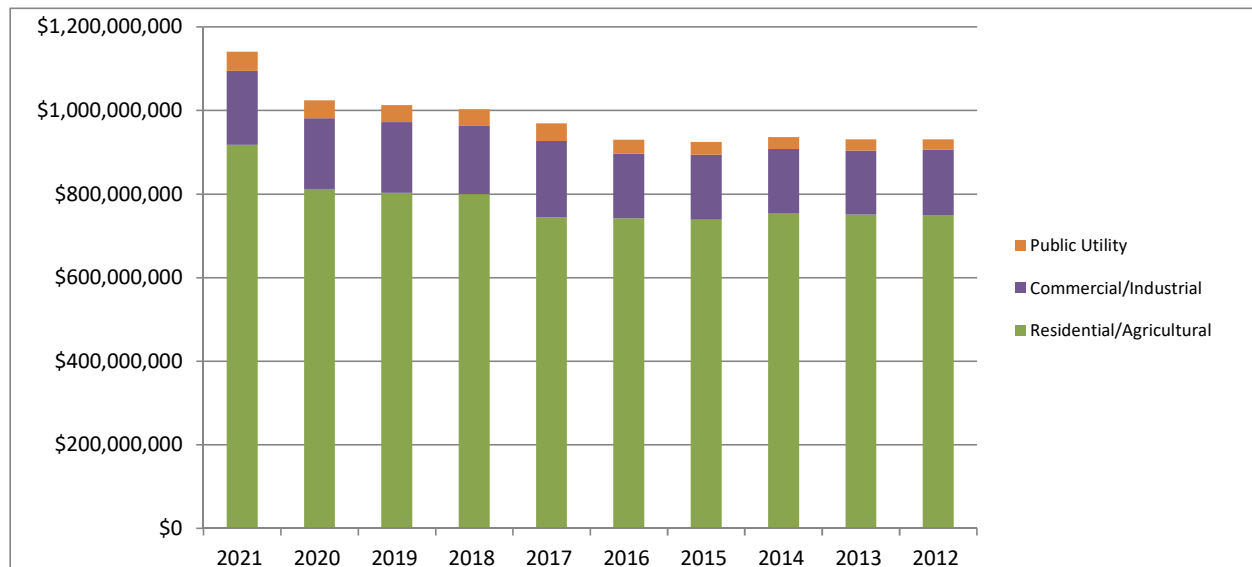
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Office of the County Fiscal Officer, Summit County, Ohio

| Tangible Personal Property Public Utility | | Total | | | |
|--|------------------------|-----------------|------------------------|----------------|---------------------------|
| Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | Total Tax Rate | Weighted Average Tax Rate |
| \$45,348,840 | \$51,532,773 | \$1,140,175,310 | \$3,179,608,401 | 75.12 | \$45.501068 |
| 42,925,940 | 48,779,477 | 1,023,798,570 | 2,851,272,706 | 75.43 | 44.537830 |
| 40,966,250 | 46,552,557 | 1,012,551,390 | 2,822,510,100 | 68.43 | 37.489808 |
| 39,815,860 | 45,245,295 | 1,002,403,740 | 2,795,496,381 | 68.80 | 37.840325 |
| 42,394,450 | 48,175,511 | 969,174,140 | 2,696,117,483 | 68.79 | 39.593656 |
| 34,148,290 | 38,804,875 | 930,014,910 | 2,598,423,789 | 68.77 | 39.277918 |
| 31,124,800 | 35,369,091 | 924,834,660 | 2,588,825,834 | 68.94 | 39.291495 |
| 28,468,580 | 32,350,659 | 936,220,450 | 2,625,927,431 | 68.92 | 38.796665 |
| 26,459,950 | 30,068,125 | 930,458,040 | 2,612,919,811 | 68.99 | 38.803258 |
| 24,400,460 | 27,727,795 | 930,394,050 | 2,616,280,910 | 69.10 | 38.775405 |



Nordonia Hills City School District
Property Tax Rates - Direct and Overlapping Governments
 (Per \$1,000 of Assessed Value)
 Last Ten Years

| | 2021 | 2020 | 2019 | 2018 |
|---|------------|------------|------------|------------|
| Unvoted Millage | | | | |
| Operating | \$4.970000 | \$4.970000 | \$4.970000 | \$4.970000 |
| Voted Millage - by levy | | | | |
| 1976 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 5.960067 | 6.699113 | 6.698509 | 6.697100 |
| Commercial/Industrial and Public Utility Real | 7.017101 | 7.270467 | 7.264790 | 7.300800 |
| General Business and Public Utility Personal | 26.280000 | 26.280000 | 26.280000 | 26.280000 |
| 1978 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 1.020559 | 1.147108 | 1.147005 | 1.146800 |
| Commercial/Industrial and Public Utility Real | 1.201558 | 1.244943 | 1.243971 | 1.250100 |
| General Business and Public Utility Personal | 4.500000 | 4.500000 | 4.500000 | 4.500000 |
| 1984 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 1.910692 | 2.147617 | 2.147423 | 2.147000 |
| Commercial/Industrial and Public Utility Real | 2.368974 | 2.454510 | 2.452593 | 2.464700 |
| General Business and Public Utility Personal | 5.400000 | 5.400000 | 5.400000 | 5.400000 |
| 1988 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 1.808284 | 2.032510 | 2.032323 | 2.031900 |
| Commercial/Industrial and Public Utility Real | 2.530390 | 2.621753 | 2.619706 | 2.632700 |
| General Business and Public Utility Personal | 4.450000 | 4.450000 | 4.450000 | 4.450000 |
| 1993 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 3.397730 | 3.819052 | 3.818707 | 3.817900 |
| Commercial/Industrial and Public Utility Real | 4.746060 | 4.917420 | 4.913582 | 4.937900 |
| General Business and Public Utility Personal | 7.200000 | 7.200000 | 7.200000 | 7.200000 |
| 2000 Bond (\$38,500,000) | 2.450000 | 2.720000 | 2.720000 | 3.050000 |
| 2004 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 5.400161 | 6.069791 | 6.069238 | 6.068000 |
| Commercial/Industrial and Public Utility Real | 6.143319 | 6.365131 | 6.360165 | 6.391700 |
| General Business and Public Utility Personal | 6.500000 | 6.500000 | 6.500000 | 6.500000 |
| 2008 Bond (\$6,000,000) | 0.390000 | 0.430000 | 0.410000 | 0.450000 |
| 2011 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 4.984764 | 5.602884 | 5.602374 | 5.601200 |
| Commercial/Industrial and Public Utility Real | 5.729718 | 5.936598 | 5.931966 | 5.961300 |
| General Business and Public Utility Personal | 6.000000 | 6.000000 | 6.000000 | 6.000000 |
| 2019 Operating - continuing | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 6.209952 | 6.980000 | 0.000000 | 0.000000 |
| Commercial/Industrial and Public Utility Real | 6.736753 | 6.980000 | 0.000000 | 0.000000 |
| General Business and Public Utility Personal | 6.980000 | 6.980000 | 0.000000 | 0.000000 |

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|------------|------------|------------|------------|------------|------------|
| \$4.970000 | \$4.970000 | \$4.970000 | \$4.970000 | \$4.970000 | \$4.970000 |
| 7.173914 | 7.167948 | 7.165100 | 6.988088 | 6.981019 | 6.973700 |
| 7.348098 | 7.295958 | 7.204600 | 7.233386 | 7.259797 | 7.158600 |
| 26.280000 | 26.280000 | 26.280000 | 26.280000 | 26.280000 | 26.280000 |
| 1.228410 | 1.227388 | 1.226900 | 1.196590 | 1.195380 | 1.194100 |
| 1.258236 | 1.249308 | 1.233700 | 1.238593 | 1.243116 | 1.225800 |
| 4.500000 | 4.500000 | 4.500000 | 4.500000 | 4.500000 | 4.500000 |
| 2.299827 | 2.297916 | 2.297000 | 2.240254 | 2.237986 | 2.235600 |
| 2.480716 | 2.463112 | 2.432300 | 2.441988 | 2.450908 | 2.416800 |
| 5.400000 | 5.400000 | 5.400000 | 5.400000 | 5.400000 | 5.400000 |
| 2.176566 | 2.174759 | 2.173900 | 2.120189 | 2.118044 | 2.115800 |
| 2.649748 | 2.630946 | 2.598000 | 2.608380 | 2.617908 | 2.581400 |
| 4.450000 | 4.450000 | 4.450000 | 4.450000 | 4.450000 | 4.450000 |
| 4.089736 | 4.086338 | 4.084700 | 3.983796 | 3.979771 | 3.975600 |
| 4.969929 | 4.934671 | 4.872900 | 4.892342 | 4.910220 | 4.841800 |
| 7.200000 | 7.200000 | 7.200000 | 7.200000 | 7.200000 | 7.200000 |
| 3.040000 | 3.020000 | 3.140000 | 3.150000 | 3.150000 | 3.300000 |
| 6.500000 | 6.500000 | 6.500000 | 6.432101 | 6.425601 | 6.418800 |
| 6.433102 | 6.387459 | 6.307500 | 6.332677 | 6.355817 | 6.267200 |
| 6.500000 | 6.500000 | 6.500000 | 6.500000 | 6.500000 | 6.500000 |
| 0.450000 | 0.450000 | 0.500000 | 0.470000 | 0.540000 | 0.500000 |
| 6.000000 | 6.000000 | 6.000000 | 6.000000 | 6.000000 | 6.000000 |
| 6.000000 | 6.000000 | 5.954400 | 5.978154 | 6.000000 | 6.000000 |
| 6.000000 | 6.000000 | 6.000000 | 6.000000 | 6.000000 | 6.000000 |
| 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |
| 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 | 0.000000 |

(continued)

Nordonia Hills City School District

Property Tax Rates - Direct and Overlapping Governments (continued)

(Per \$1,000 of Assessed Value)

Last Ten Years

| | 2021 | 2020 | 2019 | 2018 |
|--|-------------|-------------|-------------|-------------|
| Total Voted Millage by type of Property | | | | |
| Residential/Agricultural Real | \$33.532209 | \$37.648075 | \$30.645579 | \$31.009900 |
| Commercial/Industrial and Public Utility Real | 39.313873 | 40.940822 | 33.916773 | 34.439200 |
| General Business and Public Utility Personal | 70.150000 | 70.460000 | 63.460000 | 63.830000 |
| Total Millage by type of Property | | | | |
| Residential/Agricultural Real | \$38.502209 | \$42.618075 | \$35.615579 | \$35.979900 |
| Commercial/Industrial and Public Utility Real | 44.283873 | 45.910822 | 38.886773 | 39.409200 |
| General Business and Public Utility Personal | 75.120000 | 75.430000 | 68.430000 | 68.800000 |
| Total Weighted Average Tax Rate | | | | |
| | \$45.501068 | \$44.537830 | \$37.489808 | \$37.840325 |
| Overlapping Rates by Taxing District | | | | |
| Boston Heights Village | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | \$5.484306 | \$5.705975 | \$5.708363 | \$5.705500 |
| Commercial/Industrial and Public Utility Real | 4.069479 | 4.741639 | 4.888594 | 4.941200 |
| General Business and Public Utility Personal | 6.100000 | 6.100000 | 6.100000 | 6.100000 |
| City of Macedonia | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 3.811045 | 3.943255 | 3.943503 | 4.870900 |
| Commercial/Industrial and Public Utility Real | 4.126667 | 4.166852 | 4.163932 | 5.166100 |
| General Business and Public Utility Personal | 7.900000 | 7.900000 | 7.900000 | 8.900000 |
| Northfield Center Township | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 11.368479 | 11.178349 | 12.167605 | 11.806200 |
| Commercial/Industrial and Public Utility Real | 11.834951 | 13.321208 | 12.400529 | 12.085200 |
| General Business and Public Utility Personal | 17.510000 | 17.510000 | 17.510000 | 17.150000 |
| Northfield Village | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 6.628953 | 7.044277 | 7.044238 | 7.042100 |
| Commercial/Industrial and Public Utility Real | 6.775262 | 6.975584 | 6.958499 | 6.958500 |
| General Business and Public Utility Personal | 7.480000 | 7.480000 | 7.480000 | 7.480000 |
| Sagamore Hills Township | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 10.734523 | 11.890617 | 11.890438 | 10.886900 |
| Commercial/Industrial and Public Utility Real | 11.884301 | 12.083768 | 12.083494 | 11.127500 |
| General Business and Public Utility Personal | 12.930000 | 12.930000 | 12.930000 | 11.930000 |
| Twinsburg Township | | | | |
| Effective Millage Rates | | | | |
| Residential/Agricultural Real | 13.870834 | 14.840938 | 14.842975 | 12.034200 |
| Commercial/Industrial and Public Utility Real | 16.213211 | 16.469603 | 16.467223 | 13.473600 |
| General Business and Public Utility Personal | 20.170000 | 20.170000 | 20.170000 | 17.370000 |

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

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

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

Source: Ohio Department of Taxation

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

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| \$32.958453 | \$32.924349 | \$33.087600 | \$32.581018 | \$32.627801 | \$32.713600 |
| 34.629829 | 34.431454 | 34.243400 | 34.345520 | 34.527766 | 34.291600 |
| 63.820000 | 63.800000 | 63.970000 | 63.950000 | 64.020000 | 64.130000 |
| \$37.928453 | \$37.894349 | \$38.057600 | \$37.551018 | \$37.597801 | \$37.683600 |
| 39.599829 | 39.401454 | 39.213400 | 39.315520 | 39.497766 | 39.261600 |
| 68.790000 | 68.770000 | 68.940000 | 68.920000 | 68.990000 | 69.100000 |
| \$39.593656 | \$39.277918 | \$39.291495 | \$38.796665 | \$38.803258 | \$38.775405 |
| \$6.092567 | \$6.100000 | \$6.100000 | \$6.100000 | \$6.100000 | \$5.583600 |
| 5.748903 | 6.048834 | 6.100000 | 6.100000 | 6.100000 | 5.336700 |
| 6.100000 | 6.100000 | 6.100000 | 6.100000 | 6.100000 | 5.600000 |
| 5.030383 | 5.028937 | 5.029500 | 4.998792 | 4.997900 | 4.879700 |
| 5.174041 | 5.172557 | 5.135800 | 5.173519 | 5.164700 | 4.944700 |
| 8.900000 | 8.900000 | 8.900000 | 8.900000 | 8.900000 | 8.900000 |
| 12.277210 | 12.276020 | 12.276000 | 9.192819 | 9.187500 | 8.825300 |
| 12.106803 | 11.969610 | 11.937400 | 8.802501 | 8.761300 | 8.382000 |
| 17.150000 | 17.150000 | 17.150000 | 14.150000 | 14.150000 | 14.150000 |
| 7.233849 | 7.225914 | 7.223000 | 7.138902 | 7.137600 | 6.905400 |
| 6.954032 | 6.953771 | 6.920300 | 7.130170 | 6.914500 | 6.548500 |
| 7.480000 | 7.480000 | 7.480000 | 7.480000 | 7.480000 | 7.480000 |
| 10.802814 | 10.802442 | 10.801000 | 10.748034 | 9.401100 | 8.844500 |
| 10.416645 | 10.416645 | 10.416600 | 10.484373 | 8.699200 | 7.984700 |
| 11.180000 | 11.180000 | 11.180000 | 11.180000 | 10.180000 | 10.180000 |
| 12.550799 | 9.856698 | 9.926700 | 10.074887 | 10.074400 | 7.981500 |
| 14.578775 | 11.797730 | 11.762800 | 11.935621 | 11.733700 | 9.021600 |
| 17.370000 | 14.610000 | 14.610000 | 14.610000 | 14.610000 | 12.860000 |

Nordonia Hills City School District
Property Tax Levies and Collections (1)
Last Ten Years

| Collection Year | Current Tax Levy | Delinquent Tax Levy | Total Tax Levy | Current Tax Collections |
|--------------------|---------------------|------------------------|-------------------|----------------------------|
| 2021 | \$45,606,707 | \$688,673 | \$46,295,380 | \$44,918,034 |
| 2020 | 37,962,244 | 635,736 | 38,597,980 | 37,326,508 |
| 2019 | 37,931,329 | 1,142,385 | 39,073,714 | 37,353,161 |
| 2018 | 38,197,841 | 1,466,067 | 39,663,908 | 37,355,389 |
| 2017 | 38,378,008 | 1,472,313 | 39,850,321 | 36,820,009 |
| 2016 | 36,529,179 | 1,495,532 | 38,024,711 | 35,848,545 |
| 2015 | 36,340,072 | 1,796,630 | 38,136,702 | 35,639,623 |
| 2014 | 36,108,198 | 1,913,728 | 38,021,926 | 35,562,444 |
| 2013 | 36,108,198 | 2,983,077 | 39,091,275 | 35,319,692 |
| 2012 | 36,076,774 | 2,735,125 | 38,811,899 | 34,934,389 |

Source: Office of the Fiscal Officer, Summit County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

| Percent of Current Tax Collections to Current Tax Levy | Delinquent Tax Collections | Total Tax Collections | Percent of Total Tax Collections to Total Tax Levy |
|--|----------------------------------|--------------------------|--|
| 98.49% | \$611,251 | \$45,529,285 | 98.35% |
| 98.33 | 960,057 | 38,286,565 | 99.19 |
| 98.48 | 578,168 | 37,931,329 | 97.08 |
| 97.79 | 679,666 | 38,035,055 | 95.89 |
| 95.94 | 688,725 | 37,508,734 | 94.12 |
| 98.14 | 864,584 | 36,713,129 | 96.55 |
| 98.07 | 844,615 | 36,484,238 | 95.67 |
| 98.49 | 896,938 | 36,459,382 | 95.89 |
| 97.82 | 1,258,776 | 36,578,468 | 93.57 |
| 96.83 | 1,118,557 | 36,052,946 | 92.89 |

Nordonia Hills City School District

Principal Taxpayers

Real Estate Tax

2021 and 2012

| Name of Taxpayer | 2021 | |
|------------------------------------|------------------------|--------------------------------|
| | Assessed Valuation | Percent of Real Assessed Value |
| DOTRS Limited Liability Co. | \$8,606,370 | 0.79 % |
| HGG Eaton Ridge LLC | 4,599,000 | 0.42 |
| AH Macedonia LLC | 3,847,020 | 0.35 |
| Sagamore Owner 1 LLC | 3,705,840 | 0.34 |
| GW Macedonia LLC | 3,091,260 | 0.28 |
| MGP Lessor LLC | 2,952,700 | 0.27 |
| Sagamore Hills Nominee, LP | 2,546,640 | 0.23 |
| Cleveland Steel Warehouse LTD | 2,424,070 | 0.22 |
| Musca Properties LLC | 2,277,440 | 0.21 |
| Kuchar Limited Liability Co. | 2,204,260 | 0.20 |
| Total | \$36,254,600 | 3.31 % |
| Total Real Estate Valuation | \$1,094,826,470 | |

| Name of Taxpayer | 2012 | |
|------------------------------------|----------------------|--------------------------------|
| | Assessed Valuation | Percent of Real Assessed Value |
| DOTRS Limited Liability Co. | \$8,054,510 | 0.89 % |
| HGG Eaton Ridge LLC | 4,137,160 | 0.46 |
| AERC Williamsburg, Inc. | 4,099,620 | 0.45 |
| GW Macedonia LLC | 3,577,260 | 0.39 |
| Musca Properties LLC | 3,286,620 | 0.36 |
| Northfield Park Associates LLC | 2,952,700 | 0.33 |
| New Plaza Management LLC | 2,911,640 | 0.32 |
| Lowes Home Center, Inc. | 2,790,600 | 0.31 |
| Sagamore Square Enterprises LTD | 2,634,430 | 0.29 |
| Sacco of Macedonia LLC | 2,492,200 | 0.28 |
| Sagamore Hills Nominee, LP | 2,432,710 | 0.27 |
| Total | \$39,369,450 | 4.35 % |
| Total Real Estate Valuation | \$905,993,590 | |

Source: Office of the Fiscal Officer, Summit County, Ohio

Nordonia Hills City School District

Principal Taxpayers

Public Utilities Tax

2021 and 2012

| Name of Taxpayer | 2021 | |
|---------------------------------------|---------------------|--|
| | Assessed Valuation | Percent of Public Utility Assessed Value |
| American Transmission | \$22,159,340 | 48.86 % |
| Ohio Edison | 14,360,600 | 31.67 |
| Cleveland Electric Illuminating | 4,581,160 | 10.10 |
| East Ohio Gas | 4,030,120 | 8.89 |
| Aqua Ohio Incorporated | 195,020 | 0.43 |
| Northeast Ohio Natural Gas Corp | 12,390 | 0.03 |
| Buckeye Pipe Line Company, LP | 9,290 | 0.02 |
| Total | \$45,347,920 | 100.00 % |
| Total Public Utility Valuation | \$45,348,840 | |

| Name of Taxpayer | 2012 | |
|---------------------------------------|---------------------|--|
| | Assessed Valuation | Percent of Public Utility Assessed Value |
| Ohio Edison | \$10,996,640 | 45.07 % |
| American Transmission | 7,275,450 | 29.82 |
| Cleveland Electric Illuminating | 3,357,010 | 13.76 |
| East Ohio Gas | 2,487,260 | 10.19 |
| Aqua Ohio, Incorporated | 258,520 | 1.06 |
| Total | \$24,374,880 | 99.90 % |
| Total Public Utility Valuation | \$24,400,460 | |

Source: Office of the Fiscal Officer, Summit County, Ohio

Nordonia Hills City School District
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2021*

| | Governmental Activities Debt Outstanding | Percentage Applicable to School District (1) | Amount of Direct and Overlapping Debt |
|-------------------------------------|---|--|---|
| Direct: | | | |
| Nordonia Hills City School District | | | |
| General Obligation Bonds | \$16,253,550 | 100.00 % | \$16,253,550 |
| Overlapping: | | | |
| City of Macedonia: | | | |
| General Obligation Bonds | 13,640,000 | 97.70 | 13,326,280 |
| Special Assessment Bonds | 476,700 | 97.70 | 465,736 |
| ODOT Loans | 234,396 | 97.70 | 229,005 |
| OPWC Loans | 1,791,248 | 97.70 | 1,750,049 |
| Northfield Village: | | | |
| OPWC Loans | 1,859,176 | 100.00 | 1,859,176 |
| Capital Lease Obligations | 101,887 | 100.00 | 101,887 |
| Summit County: | | | |
| General Obligation Bonds | 55,564,754 | 7.18 | 3,989,549 |
| Total Overlapping | 73,668,161 | | 21,721,682 |
| Total | \$89,921,711 | | \$37,975,232 |

Source: Office of the Fiscal Officer, Summit County, Ohio

(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 2020 collection year.

Nordonia Hills City School District
Ratio of Outstanding Debt
to Estimated Actual Value, Personal Income, and Population
Last Ten Fiscal Years

| Fiscal Year | Estimated Population | Estimated Actual Value | General Bonded Debt | | General Bonded Debt per Capita | Percentage of Personal Income (1) |
|-------------|----------------------|------------------------|---------------------|--|--------------------------------|-----------------------------------|
| | | | General Bonded Debt | Ratio of General Bonded Debt to Estimated Actual Value | | |
| 2021 | 32,877 | \$3,179,608,401 | \$16,253,550 | 0.51 % | \$494 | 1.15 % |
| 2020 | 32,247 | 2,851,272,706 | 19,065,636 | 0.67 | 591 | 1.38 |
| 2019 | 32,247 | 2,822,510,100 | 21,761,184 | 0.77 | 675 | 1.58 |
| 2018 | 32,247 | 2,795,496,381 | 24,355,244 | 0.87 | 755 | 1.77 |
| 2017 | 32,247 | 2,696,117,483 | 26,937,866 | 1.00 | 835 | 1.95 |
| 2016 | 32,247 | 2,598,423,789 | 29,646,181 | 1.14 | 919 | 2.15 |
| 2015 | 32,247 | 2,588,825,834 | 31,771,931 | 1.23 | 985 | 2.30 |
| 2014 | 32,247 | 2,625,927,431 | 32,624,796 | 1.24 | 1,012 | 2.37 |
| 2013 | 32,247 | 2,612,919,811 | 33,559,133 | 1.28 | 1,041 | 2.43 |
| 2012 | 32,247 | 2,616,280,910 | 35,146,548 | 1.34 | 1,090 | 2.55 |

(1) Personal income for this calculation is from the Demographic and Economic Statistics table on S26.

Sources: Office of the Treasurer, Nordonia Hills City School District and the U.S. Census Bureau (Census 2010)

Note: Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

Nordonia Hills City School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

| | 2021 | 2020 | 2019 | 2018 |
|--|------------------------|------------------------|------------------------|------------------------|
| Total Assessed Valuation | \$1,140,175,310 | \$1,023,798,570 | \$1,012,551,390 | \$1,002,403,740 |
| Less Railroad and Telephone Property Valuation | (904,040) | (912,180) | (922,670) | (961,390) |
| Total Assessed Valuation used to Calculate Legal Debt Margin (1) | <u>\$1,139,271,270</u> | <u>\$1,022,886,390</u> | <u>\$1,011,628,720</u> | <u>\$1,001,442,350</u> |
| Debt Limit - 9% of Assessed Value (2) | \$102,534,414 | \$92,059,775 | \$91,046,585 | \$90,129,812 |
| Amount of Debt Outstanding | | | | |
| General Obligation Bonds | 15,342,288 | 17,984,197 | 20,509,568 | 22,933,451 |
| Capital Appreciation Bonds | 0 | 0 | 0 | 0 |
| Less Amount Available in Bond Retirement Fund | (1,892,615) | (1,727,702) | (1,793,150) | (1,681,969) |
| Amount of Debt Subject to Limit | <u>13,449,673</u> | <u>16,256,495</u> | <u>18,716,418</u> | <u>21,251,482</u> |
| Overall Debt Margin | <u>\$89,084,741</u> | <u>\$75,803,280</u> | <u>\$72,330,167</u> | <u>\$68,878,330</u> |
| Legal Debt Margin as a Percentage of Debt Limit | 86.88% | 82.34% | 79.44% | 76.42% |
| Unvoted Legal Debt Limit - .10% of Assessed Value | \$1,139,271 | \$1,022,886 | \$1,011,629 | \$1,001,442 |
| Amount of Debt Subject to Limit | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Unvoted Debt Margin | <u>\$1,139,271</u> | <u>\$1,022,886</u> | <u>\$1,011,629</u> | <u>\$1,001,442</u> |
| Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 100.00% | 100.00% | 100.00% | 100.00% |
| Additional Limit for Unvoted Energy Conservation Bonds/Loans | | | | |
| Debt Limit - 1% of Assessed Valuation | <u>\$11,392,713</u> | <u>\$10,228,864</u> | <u>\$10,116,287</u> | <u>\$10,014,424</u> |
| Additional Unvoted Debt Margin as a Percentage of the Unvoted Debt Limitation | 100.00% | 100.00% | 100.00% | 100.00% |

Source: Summit County Fiscal Officer and School District Financial Records

- (1) HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.
- (2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------------------------|--------------------------------------|--|--|--|--|
| \$969,174,140 (1,006,360) | \$930,014,910 (1,124,980) | \$924,834,660 (1,186,610) | \$936,220,450 (1,128,840) | \$930,458,040 (1,053,220) | \$930,394,050 (923,780) |
| <u>\$968,167,780</u> | <u>\$928,889,930</u> | <u>\$923,648,050</u> | <u>\$935,091,610</u> | <u>\$929,404,820</u> | <u>\$929,470,270</u> |
| \$87,135,100 | \$83,600,094 | \$83,128,325 | \$84,158,245 | \$83,646,434 | \$83,652,324 |
| 25,345,896 0 (1,378,701) | 25,391,949 565,261 (1,980,577) | 25,476,656 1,210,585 (2,118,713) | 26,149,744 1,925,622 (1,773,260) | 25,650,000 2,699,845 (1,369,260) | 26,150,000 3,415,528 (1,582,617) |
| <u>23,967,195</u> | <u>23,976,633</u> | <u>24,568,528</u> | <u>26,302,106</u> | <u>26,980,585</u> | <u>27,982,911</u> |
| <u>\$63,167,905</u> | <u>\$59,623,461</u> | <u>\$58,559,797</u> | <u>\$57,856,139</u> | <u>\$56,665,849</u> | <u>\$55,669,413</u> |
| 72.49% | 71.32% | 70.45% | 68.75% | 67.74% | 66.55% |
| \$968,168 0 | \$928,890 0 | \$923,648 0 | \$935,092 0 | \$929,405 0 | \$929,470 0 |
| <u>\$968,168</u> | <u>\$928,890</u> | <u>\$923,648</u> | <u>\$935,092</u> | <u>\$929,405</u> | <u>\$929,470</u> |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| <u>\$9,681,678</u> | <u>\$9,288,899</u> | <u>\$9,236,481</u> | <u>\$9,350,916</u> | <u>\$9,294,048</u> | <u>\$9,294,703</u> |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Nordonia Hills City School District
Demographic and Economic Statistics
Last Ten Years

| Year | Population | Total Personal Income | Per Capita Personal Income | Summit County Unemployment Rate |
|------|------------|-----------------------------|----------------------------------|--|
| 2021 | 32,877 | \$1,411,015,086 | \$42,918 | 6.6% |
| 2020 | 32,247 | 1,378,623,744 | 42,752 | 8.2 |
| 2019 | 32,247 | 1,378,623,744 | 42,752 | 4.3 |
| 2018 | 32,247 | 1,378,623,744 | 42,752 | 5.2 |
| 2017 | 32,247 | 1,378,623,744 | 42,752 | 5.3 |
| 2016 | 32,247 | 1,378,623,744 | 42,752 | 5.0 |
| 2015 | 32,247 | 1,378,623,744 | 42,752 | 5.0 |
| 2014 | 32,247 | 1,378,623,744 | 42,752 | 4.8 |
| 2013 | 32,247 | 1,378,623,744 | 42,752 | 7.0 |
| 2012 | 32,247 | 1,378,623,744 | 42,752 | 6.4 |

Sources: U.S. Bureau of Census (Census 2010)
Summit County Fiscal Officer's Office
Ohio Department of Job and Family Services

Nordonia Hills City School District

Principal Employers

2021 and 2014 (1)

| 2021 | | | |
|--|---------------------------------------|---------------------|---------------------------------------|
| Employer | Nature of Business or Activity | Number of Employees | Percentage of Total County Employment |
| Northfield Park Associates LLC | Gaming/Entertainment | 1,115 | 0.47 % |
| Ohio State Home Services, Incorporated | Special Trades Contractor | 497 | 0.20 |
| WW Grainger Inc | Industrial Supplies and Equipment | 447 | 0.18 |
| Nordonia Hills City School District | Public Education | 416 | 0.17 |
| Great Day Improvements, LLC | Patio Enclosures | 238 | 0.10 |
| City of Macedonia | Government | 225 | 0.09 |
| Wal-Mart Associates, Inc. | Retail | 182 | 0.07 |
| TPC Wire and Cable Corporation | Supplies of Industrial Wire and Cable | 173 | 0.07 |
| Tradesmen International LLC | Construction Labor Support | 163 | 0.07 |
| Burns Industrial Equipment Inc | Industrial Equipment | 115 | 0.04 |
| Total | | <u>3,571</u> | <u>1.46 %</u> |
| Total Employment within County | | <u>243,400</u> | |

| 2014 | | | |
|--|---------------------------------------|---------------------|---------------------------------------|
| Employer | Nature of Business or Activity | Number of Employees | Percentage of Total County Employment |
| Nordonia Hills City School District | Public Education | 440 | 0.17 % |
| Ohio State Home Services, Incorporated | Special Trades Contractor | 250 | 0.09 |
| Great Day Improvements, LLC | Patio Enclosures | 210 | 0.08 |
| Empire Die Casting Company, Incorporated | Manufacturing | 195 | 0.07 |
| IER Fujikura, Incorporated | Custom Molded Rubber | 170 | 0.06 |
| City of Macedonia | Government | 160 | 0.06 |
| Ohio Materials Handling, Incorporated | Equipment Dealership | 150 | 0.06 |
| TPC Wire and Cable Corporation | Supplies of Industrial Wire and Cable | 150 | 0.06 |
| Design Molded Plastics, Incorporated | Manufacturing | 140 | 0.05 |
| Total | | <u>1,865</u> | <u>0.70 %</u> |
| Total Employment within County | | <u>265,400</u> | |

(1) Information prior to 2014 is not available.

Source: Regional Income Tax Agency (RITA)
Summit County Fiscal Officer's Office

Nordonia Hills City School District
Building Statistics by School Building/Facility
Last Ten Fiscal Years

| | 2021 | 2020 | 2019 | 2018 |
|-------------------------------|---------|---------|---------|---------|
| Lee Eaton Elementary | | | | |
| Constructed in 1953 | | | | |
| Total Building Square Footage | 64,719 | 64,719 | 64,719 | 64,719 |
| Enrollment - Grades 5 - 6 | 501 | 558 | 608 | 576 |
| Ledgeview Elementary | | | | |
| Constructed in 1963 | | | | |
| Total Building Square Footage | 66,438 | 66,438 | 66,438 | 66,438 |
| Enrollment - Grades K - 4 | 410 | 486 | 468 | 467 |
| Northfield Elementary | | | | |
| Constructed in 1963 | | | | |
| Total Building Square Footage | 63,072 | 63,072 | 63,072 | 63,072 |
| Enrollment - Grades K - 4 | 348 | 382 | 375 | 397 |
| Rushwood Elementary | | | | |
| Constructed in 1970 | | | | |
| Total Building Square Footage | 49,194 | 49,194 | 49,194 | 49,194 |
| Enrollment - Grades K - 4 | 322 | 363 | 386 | 400 |
| Nordonia Middle School | | | | |
| Constructed in 1928 | | | | |
| Total Building Square Footage | 115,067 | 115,067 | 115,067 | 115,067 |
| Enrollment - Grades 7 - 8 | 638 | 606 | 554 | 544 |
| Nordonia High School | | | | |
| Constructed in 1960 | | | | |
| Total Building Square Footage | 227,862 | 227,862 | 227,862 | 227,862 |
| Enrollment - Grades 9 - 12 | 1,162 | 1,217 | 1,220 | 1,237 |

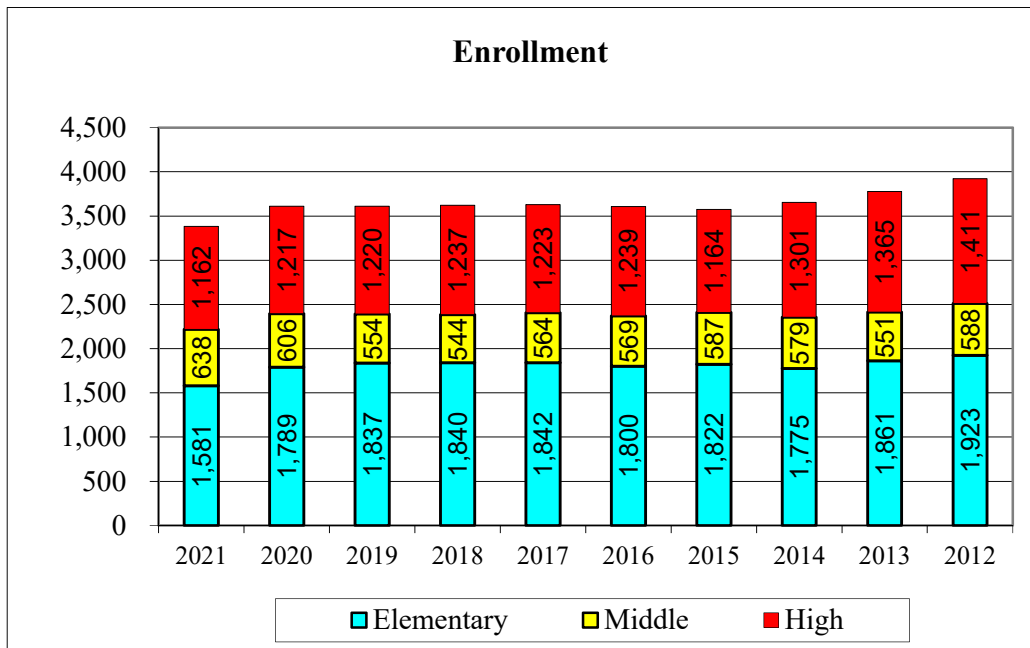
Source: School District Records

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| 64,719 541 | 64,719 519 | 64,719 543 | 64,719 564 | 64,719 566 | 64,719 578 |
| 66,438 470 | 66,438 488 | 66,438 470 | 66,438 468 | 66,438 487 | 66,438 506 |
| 63,072 413 | 63,072 386 | 63,072 419 | 63,072 374 | 63,072 421 | 63,072 437 |
| 49,194 418 | 49,194 407 | 49,194 390 | 49,194 369 | 49,194 387 | 49,194 402 |
| 115,067 564 | 115,067 569 | 115,067 587 | 115,067 579 | 115,067 551 | 115,067 588 |
| 227,862 1,223 | 227,862 1,239 | 227,862 1,164 | 227,862 1,301 | 227,862 1,365 | 227,862 1,411 |

Nordonia City School District

Enrollment Statistics Last Ten Fiscal Years

| Fiscal Year | Elementary Schools | Middle Schools | High School | Total |
|-------------|--------------------|----------------|-------------|-------|
| 2021 | 1,581 | 638 | 1,162 | 3,381 |
| 2020 | 1,789 | 606 | 1,217 | 3,612 |
| 2019 | 1,837 | 554 | 1,220 | 3,611 |
| 2018 | 1,840 | 544 | 1,237 | 3,621 |
| 2017 | 1,842 | 564 | 1,223 | 3,629 |
| 2016 | 1,800 | 569 | 1,239 | 3,608 |
| 2015 | 1,822 | 587 | 1,164 | 3,573 |
| 2014 | 1,775 | 579 | 1,301 | 3,655 |
| 2013 | 1,861 | 551 | 1,365 | 3,777 |
| 2012 | 1,923 | 588 | 1,411 | 3,922 |



Sources: Ohio Department of Education Local Report Cards and Data Warehouse Reports

Nordonia Hills City School District

Attendance and Graduation Rates

Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>Nordonia Hills City School District Attendance Rate</u> | <u>State Average</u> | <u>Nordonia Hills City School District Graduation Rate</u> | <u>State Average</u> |
|--------------------|--|----------------------|--|----------------------|
| 2021 | 95.60% | 91.50% | 97.30% | 87.20% |
| 2020 | 96.70 | 95.60 | 96.30 | 85.90 |
| 2019 | 95.70 | 94.50 | 98.00 | 85.30 |
| 2018 | 95.80 | 93.90 | 96.90 | 84.10 |
| 2017 | 95.90 | 93.90 | 97.20 | 83.40 |
| 2016 | 96.00 | 94.00 | 95.20 | 83.00 |
| 2015 | 96.20 | 94.50 | 94.60 | 81.30 |
| 2014 | 96.20 | 95.20 | 96.40 | 81.30 |
| 2013 | 95.60 | 94.50 | 96.40 | 82.20 |
| 2012 | 95.60 | 94.50 | 94.60 | 81.30 |

Sources: Ohio Department of Education Local Report Cards and Data Warehouse Reports

Nordonia Hills City School District

*Per Pupil Cost
Last Ten Fiscal Years*

| Fiscal Year | Student Enrollment | | General Governmental | |
|-------------|--------------------|----------------------|------------------------|----------------|
| | Average Enrollment | Percentage of Change | Total Expenditures (1) | Per Pupil Cost |
| 2021 | 3,381 | (6.40) % | \$55,866,988 | \$16,524 |
| 2020 | 3,612 | 0.03 | 52,767,957 | 14,609 |
| 2019 | 3,611 | (0.28) | 50,467,492 | 13,976 |
| 2018 | 3,621 | (0.22) | 48,665,502 | 13,440 |
| 2017 | 3,629 | 0.58 | 46,336,720 | 12,768 |
| 2016 | 3,608 | 0.98 | 45,978,086 | 12,743 |
| 2015 | 3,573 | (2.24) | 43,297,886 | 12,118 |
| 2014 | 3,655 | (3.23) | 43,333,843 | 11,856 |
| 2013 | 3,777 | (3.70) | 41,878,620 | 11,088 |
| 2012 | 3,922 | (3.21) | 40,467,750 | 10,318 |

(1) Debt Service totals have been excluded.

(2) Due to the coronavirus pandemic, the School District was allowed to provide universal free lunches from the federal government during fiscal year 2021.

Source: School District Records
Ohio Department of Education

| Governmental Activities | | Students Receiving Free and Reduced Lunches | | |
|-------------------------|-------------------|--|--------------------------------------|-------------------------------------|
| Total Expenses (1) | Per Pupil Cost | Number of Lunches Served | Percentage of Free Lunches (2) | Percentage of Reduced Lunches |
| \$59,178,348 | \$17,503 | 162,697 | 100.00 % | 0.00 % |
| 57,016,817 | 15,785 | 107,072 | 25.10 | 6.42 |
| 47,861,475 | 13,254 | 220,752 | 23.50 | 6.73 |
| 28,885,571 | 7,977 | 209,605 | 27.74 | 6.11 |
| 50,743,003 | 13,983 | 220,581 | 28.51 | 6.06 |
| 46,532,870 | 12,897 | 237,396 | 27.35 | 6.99 |
| 43,469,284 | 12,166 | 233,603 | 28.44 | 8.59 |
| 44,345,627 | 12,133 | 259,260 | 29.30 | 9.37 |
| 42,603,213 | 11,280 | 287,858 | 25.10 | 8.43 |
| 41,486,998 | 10,578 | 331,201 | 23.40 | 9.62 |

Nordonia Hills City School District
School District Employees by Function/Program
Last Ten Fiscal Years

| Function/Program | 2021 | 2020 | 2019 | 2018 |
|---|--------------|--------------|--------------|--------------|
| Regular Instruction | | | | |
| Elementary Classroom Teachers | 79.0 | 76.0 | 78.0 | 77.0 |
| Middle School Classroom Teachers | 27.0 | 24.0 | 22.0 | 23.0 |
| High School Classroom Teachers | 55.0 | 55.0 | 55.0 | 54.0 |
| Special Teachers (Art, Music, PE) | 27.0 | 28.0 | 28.0 | 28.0 |
| Tutors/Small Group Instructors | 2.0 | 2.0 | 1.8 | 2.8 |
| Special Instruction | | | | |
| Gifted Education Teachers | 3.0 | 3.0 | 2.0 | 2.0 |
| Special Education Teachers | 37.5 | 36.5 | 36.5 | 33.5 |
| Vocational Instruction | | | | |
| | 2.0 | 2.0 | 2.0 | 2.0 |
| Pupil Support Services | | | | |
| Guidance Counselors | 11.0 | 11.0 | 10.0 | 10.0 |
| Psychologist | 4.3 | 4.6 | 4.6 | 4.6 |
| Speech Pathologists | 4.0 | 4.0 | 4.0 | 4.0 |
| Community Intervention | 1.0 | 1.0 | 1.0 | 1.0 |
| Instructional Staff Support Services | | | | |
| Teacher Aides | 48.0 | 0.0 | 5.0 | 6.0 |
| Attendants | 54.0 | 71.0 | 68.0 | 76.0 |
| Monitors | 11.0 | 49.0 | 43.0 | 32.0 |
| Technicians | 1.0 | 1.0 | 1.0 | 1.0 |
| Media Specialist/Librarian | 1.0 | 1.0 | 1.0 | 1.0 |
| Library Aides | 8.0 | 8.0 | 9.0 | 9.0 |
| Administration Support Services | | | | |
| Elementary Schools | 5.0 | 5.0 | 5.0 | 5.0 |
| Middle School | 2.0 | 2.0 | 2.0 | 2.0 |
| High School | 4.0 | 4.0 | 4.0 | 4.0 |
| Districtwide | 6.0 | 6.0 | 6.0 | 6.0 |
| Clerical | 18.0 | 18.0 | 18.0 | 18.0 |
| Fiscal Staff | 7.0 | 7.0 | 7.0 | 7.0 |
| Operation of Plant | | | | |
| Supervisor | 1.0 | 1.0 | 1.0 | 1.0 |
| Custodians | 28.0 | 25.0 | 25.0 | 25.0 |
| Part-Time Cleaners | 1.0 | 0.0 | 1.0 | 2.0 |
| Maintenance | 4.0 | 4.0 | 4.0 | 4.0 |
| Courier | 1.0 | 1.0 | 1.0 | 1.0 |
| Food Service Program | | | | |
| Supervisor | 1.0 | 1.0 | 1.0 | 1.0 |
| Food Service Workers | 24.0 | 25.0 | 24.0 | 25.0 |
| Total | 477.8 | 476.1 | 470.9 | 467.9 |

Method: The amounts are based on a headcount by function including both full and part-time employees, as of June 30.

Source: School District Payroll Records

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|-------|-------|-------|-------|-------|-------|
| 77.0 | 78.0 | 81.0 | 75.0 | 75.0 | 72.0 |
| 22.0 | 21.0 | 20.0 | 20.0 | 20.0 | 19.0 |
| 54.0 | 56.0 | 55.0 | 55.0 | 54.0 | 53.0 |
| 28.0 | 27.0 | 28.0 | 28.0 | 27.0 | 26.0 |
| 2.8 | 3.0 | 3.0 | 2.0 | 2.0 | 3.0 |
| 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| 32.5 | 31.0 | 31.0 | 30.0 | 29.0 | 31.0 |
| 2.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| 4.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| 4.6 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 8.0 | 11.0 | 13.0 | 13.0 | 13.0 | 13.0 |
| 66.0 | 58.0 | 55.0 | 60.0 | 54.0 | 51.0 |
| 30.0 | 34.0 | 31.0 | 21.0 | 20.0 | 20.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 9.0 | 9.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| 5.0 | 5.0 | 5.0 | 5.0 | 4.0 | 4.0 |
| 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 7.0 |
| 18.0 | 18.0 | 18.0 | 17.0 | 17.0 | 18.0 |
| 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 25.0 | 25.0 | 25.0 | 28.0 | 26.0 | 26.0 |
| 3.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 4.0 | 3.5 | 4.0 | 4.0 | 3.0 | 3.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 25.0 | 31.0 | 28.0 | 28.0 | 27.0 | 28.0 |
| 456.9 | 457.5 | 452.0 | 441.0 | 425.0 | 422.0 |

Nordonia Hills City School District
Full-Time Equivalent Certified School District Employees by Education
Last Ten Fiscal Years

| Degree | 2021 | 2020 | 2019 | 2018 |
|---------------|---------------|---------------|---------------|---------------|
| Bachelor | 18.00 | 20.00 | 20.00 | 22.00 |
| Bachelor + 15 | 9.00 | 7.00 | 7.00 | 8.00 |
| Bachelor + 30 | 26.00 | 22.50 | 22.50 | 22.50 |
| Master | 68.00 | 66.00 | 74.00 | 77.00 |
| Master + 15 | 58.00 | 58.00 | 52.00 | 51.00 |
| Master + 30 | 72.00 | 69.60 | 66.40 | 58.40 |
| PhD | 4.00 | 5.00 | 4.00 | 4.00 |
| Total | <u>255.00</u> | <u>248.10</u> | <u>245.90</u> | <u>242.90</u> |

Source: School District Records

| 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 21.00 | 18.00 | 19.50 | 15.00 | 9.00 | 5.00 |
| 6.00 | 8.00 | 4.00 | 6.00 | 6.00 | 5.00 |
| 24.50 | 28.00 | 31.00 | 31.00 | 32.00 | 26.00 |
| 77.00 | 89.00 | 97.00 | 101.50 | 103.40 | 99.40 |
| 53.00 | 49.00 | 43.79 | 38.76 | 37.60 | 38.60 |
| 55.40 | 43.00 | 40.60 | 37.00 | 40.00 | 48.00 |
| 4.00 | 4.00 | 3.00 | 2.00 | 3.00 | 3.00 |
| <u>240.90</u> | <u>239.00</u> | <u>238.89</u> | <u>231.26</u> | <u>231.00</u> | <u>225.00</u> |

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OHIO AUDITOR OF STATE KEITH FABER



NORDONIA HILLS CITY SCHOOL DISTRICT

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 1/11/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
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