



# HUBER HEIGHTS CITY SCHOOLS

Huber Heights, Ohio  
Annual Comprehensive Financial Report  
For the Year Ended June 30, 2023





OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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(800) 282-0370

Board of Education  
Huber Heights City School District  
5954 Longford Road  
Huber Heights, Ohio 45424

We have reviewed the *Independent Auditor's Report* of Huber Heights City School District, Montgomery County, prepared by Zupka & Associates, for the audit period July 1, 2022 through June 30, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Huber Heights City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

March 18, 2024

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**HUBER HEIGHTS CITY SCHOOL DISTRICT**

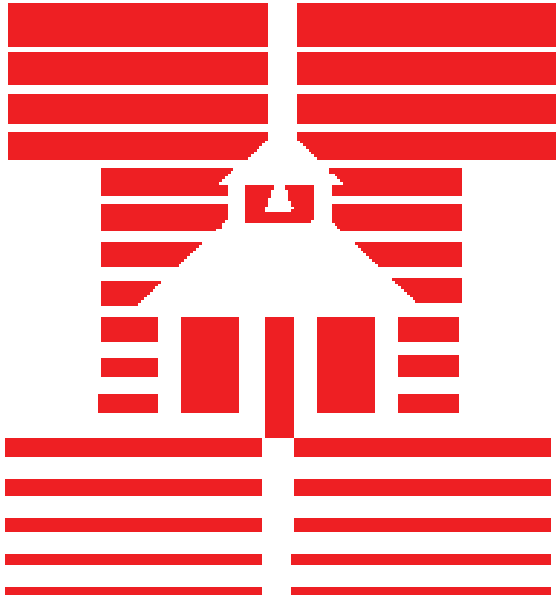
**Huber Heights, Ohio**

**Annual Comprehensive Financial Report**

**For the Fiscal Year Ended June 30, 2023**

**Prepared by: Huber Heights City School's Treasurer  
and Treasurer's Staff**

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HUBER HEIGHTS

CITY SCHOOLS

# INTRODUCTORY SECTION

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HUBER HEIGHTS

CITY SCHOOLS



# Huber Heights City School District, Ohio

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

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## Huber Heights City School District, Ohio

*Annual Comprehensive Financial Report  
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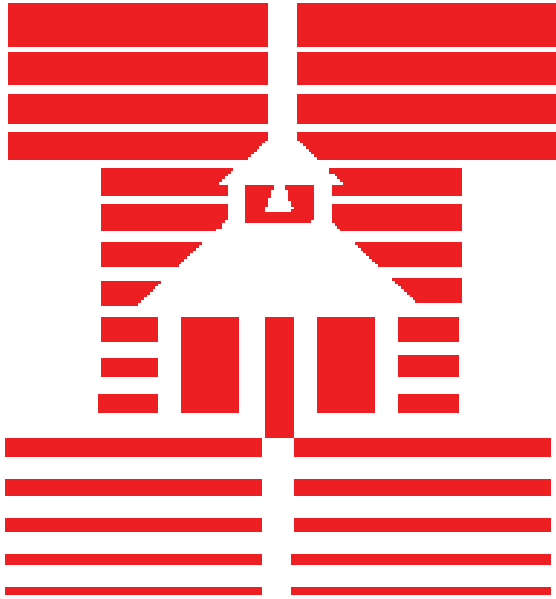
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HUBER HEIGHTS

CITY SCHOOLS



# Huber Heights City School District

5954 Longford Road  
Huber Heights, Ohio 45424  
Telephone (937) 237-6300 ▲ FAX (937) 237-2178

Jason Enix, Superintendent  
Penelope Rucker, Treasurer

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**January 16, 2024**

## **To the Citizens and Board of Education of the Huber Heights City School District:**

We are pleased to present the 5th consecutive Annual Comprehensive Financial Report (ACFR) of the Huber Heights City School District, (the “District”). The information reported is for the fiscal year ended June 30, 2023. The report contains financial statements, required supplemental information, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the current fiscal year.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects. Our report is designed to present fairly the financial position of the various funds of the District.

This report includes an unmodified (“clean”) audit report regarding the District’s financial statements. The audit was conducted by James G. Zupka, CPA, Inc., under contract by the Auditor of State’s Office and the District. The Independent Auditors’ Report is located at the front of the financial section of this report.

This report is prepared in conformance with accounting principles generally accepted in the United States of America, (GAAP), as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative services, and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative, introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

## **District Profile**

The District is located in southwestern Ohio, primarily within Montgomery County; and encompasses approximately 22 square miles. The Huber Heights City 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 District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five-member board and is responsible for the provision of public education to residents of the District.

Within the City of Huber Heights, the District is the largest employer. The community’s population for fiscal year 2023 was 43,439 which encompass the City of Huber Heights and Bethel Township and small portions of the City of Fairborn, the population has increased over 10% in the past ten years. The socioeconomic profile of district residents, as measured by income levels and housing values, is below average for the State.

The Huber Heights City School District provided services to 5,869 students during fiscal year 2023. As such, the District provides a full range of educational services including regular, special and vocational instruction for Pre-K through 12<sup>th</sup> grades, student guidance, extracurricular activities, food service, educational media, student transportation and care and upkeep of buildings.

The District underwent an extensive building project approximately 13 years ago building 7 new buildings including 5 elementary buildings, a junior high and high school. The District’s student enrollment projected to continue at a steady increase over the next several years, therefore adequate school facilities continue to be a significant focal point for the District’s administrative team.

The table below presents some pertinent information regarding the District’s school facilities.

<u>School Building</u>	<u>Grade Levels</u>	<u>Year Constructed</u>	<u>Current Enrollment</u>	<u>Estimated Capacity</u>
Wayne High	9-12	2010	1,614	2,607
Weisenborn Middle	7-8	2010	902	1,745
Charles Huber Elementary	K-5	2010	593	690
Monticello Elementary	K-5	2010	554	690
Rushmore Elementary	K-5	2010	624	690
Valley Forge Elementary	K-5	2010	521	690
Wright Brothers Elementary	K-5	2010	656	690
Studebaker Preschool *	PK	1970	189	850

\* - ADM based on 1/2 day pre-k student count

**Local Economy**

The City of Huber Heights is located within a few miles of the intersection of Interstate 70 (east-west) and Interstate 75 (north-south) which is commonly referred to as the “Crossroads of America”. In addition, the City is within 10 miles or less from the Dayton International Airport. The area that currently includes the incorporated limits of the City of Huber Heights was originally formed in 1810 as Wayne Township, named after Major General Anthony Wayne of the United State Army. The City has seen significant growth over the past ten years including commercial and residential development. Commercial development includes a mixed 100-acre mixed use development at the northeast corner of the District. This development includes The Rose Music Center and Tru by Hilton, that recently opened for business.

Residential development includes several new developments underway. Developers are expecting another successful year in 2023.

## **Long-term Financial Planning**

The District has approved a new Strategic Plan. The process to produce this new plan began in fall of 2020 and included community leaders, parents, staff, and students with the task of developing a student profile that will provide the District the structure to develop students to for success during and after their time at Huber Heights City Schools.

In November 2023, the District completed and adopted its most recent five-year financial forecast, as required by the Ohio Department of Education. Prepared for the general operating fund only, this cash basis document forecasts cash receipts and cash disbursements for the next five fiscal years, as well as the ending balance available to carry over to the next fiscal year. This document is important to provide information to decision makers as it shows if available resources are adequate to meet anticipated spending levels.

As with any forecast, the further out amounts are forecasted, the less reliable the projections become. This is particularly true about unrestricted State Foundation funding which is subject to change with each State biennium budget. The current fiscal budget for the State of Ohio runs through June 30, 2024. In addition, the State Foundation is based on a very complex and numerous different variables which are difficult, at best, to project into the future.

Based on information available at the date the forecast was prepared, total receipts are anticipated to be within 2% of the receipt total reported for fiscal year 2023 through the end of the five-year forecasted period. State Foundation funding which encompasses nearly 50% of all District revenue is projected to see little growth over the forecast period.

Expenditures for wages and benefits of personnel were approximately 85% of the total general fund expenditures for fiscal year 2023. As such, accurately predicting and managing personnel related expenditures are particularly important to provide a reliable forecast. Over the five-year period covered by the forecast, the District anticipates the personnel services expenditures to increase nearly 25% and employee related benefits to increase by approximately 30%. Overall, total disbursements and other financing uses of the general fund are anticipated to increase approximately 20% through the end of fiscal year 2028 compared with the actual amounts reported for fiscal year 2023.

## **Relevant Financial Policies**

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a cash basis system of accounting as prescribed by the Auditor of State. Cash basis of accounting differs from GAAP as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the general fund, special revenue funds, debt service fund, and capital projects fund, and for full accrual basis of accounting for the fiduciary funds.

### *Internal Controls*

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that those objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

### *Budgetary Controls*

The District maintains its accounts, appropriations and other financial records in accordance with the procedures established and prescribed by the Ohio Auditor of State. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds are included in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level for all funds of the District. The District also maintains an encumbrance accounting system as a technique of accomplishing budgetary control.

### **Major Initiatives**

Huber Heights City Schools continues to incorporate practices that prepare students for their choice of careers. Wayne High Schools has been able to expand learning opportunities through a new Agricultural Science class and the offering of College Credit Plus classes. We have continued to incorporate STEM learning with Project Lead the Way at the middle and high school levels.

The District has also been designated “Purple Star” by the Ohio Department of Education in all of its building indicating military-friendly schools.

Huber Heights High School is also able to offer an AFJROTC program, gifted programming in grades 2-12, music, fine art and social emotional learning. Huber Heights City Schools has also vested their energies in developing community relations that offer opportunities for students to tour and visit manufacturing facilities, co-op at local businesses and provide community service in and around the Dayton metropolitan area.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Huber Heights City School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.



A Certificate of Achievement is valid for a period of one year only. We believe our current report will conform to the high standards required by the Certificate of Achievement program.

The District also received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2022. This award certifies that an Annual Comprehensive Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

The ASBO certificate is also valid for a period of one year only. The District believes our current report meets ASBO requirements.

The preparation and publication of this Annual Comprehensive Financial Report would not have been possible without the support of the entire treasurer's office staff, administrative team, and the Board of Education's commitment to excellence in financial accountability.

Respectfully submitted,

A handwritten signature in black ink that reads "Penelope R. Rucker". The signature is written in a cursive style with a large initial "P".

Penelope Rucker, M.Ed.  
Treasurer/CFO

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HUBER HEIGHTS

CITY SCHOOLS

# Huber Heights City School District, Ohio

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*List of Principal Officials  
For the Fiscal Year Ended June 30, 2023*

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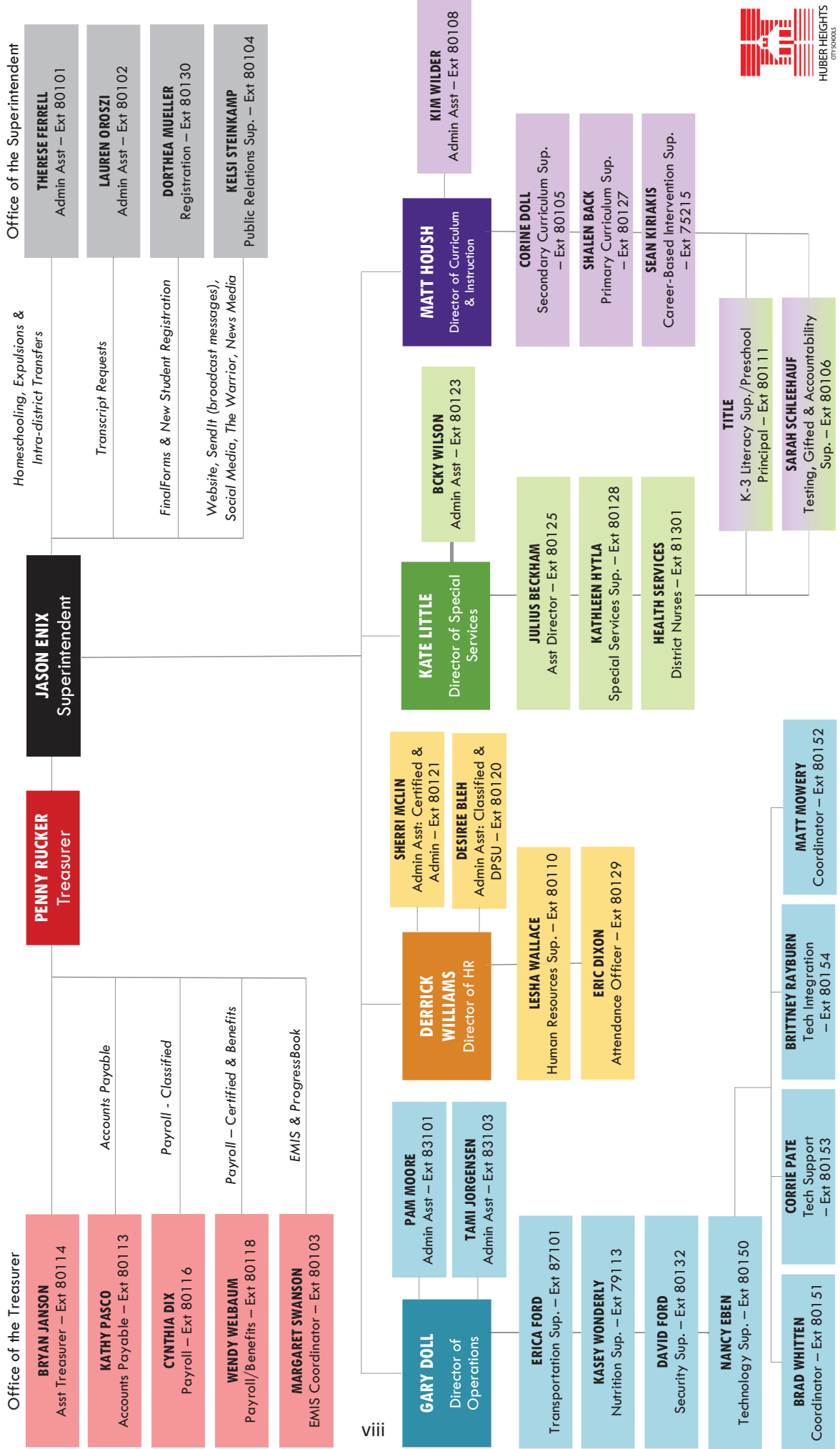
## **Elected Board of Education**

Shannon Weldon, President  
Mark Combs, Vice-President  
William Harris, Member  
Robert Mullins, Member  
Kelly Bledsoe, Member

## **Appointed Administration**

Jason Enix  
Superintendent  
  
Penelope Rucker  
Treasurer, CFO

# Huber Heights City Schools – Central Office & Administration 2022-2023





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Huber Heights City School District  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Huber Heights City School District

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.

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



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style and is positioned above a horizontal line.

John W. Hutchison  
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style and is positioned above a horizontal line.

Siobhán McMahon, CAE  
Chief Operations Officer/  
Interim Executive Director

## FINANCIAL SECTION

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HUBER HEIGHTS

CITY SCHOOLS



## INDEPENDENT AUDITOR'S REPORT

Huber Heights City School District  
Montgomery County  
5954 Longford Road  
Huber Heights, OH 45424

To the Members of the Board of Education:

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Huber Heights City School District, Montgomery County, Ohio, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Huber Heights City School District as of June 30, 2023, and the respective changes in financial position and the budgetary comparisons for the General Fund and the Elementary & Secondary School Emergency Relief (E&SSER) Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

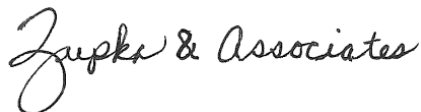
**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Zupka & Associates  
Certified Public Accountants

January 16, 2024

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HUBER HEIGHTS

CITY SCHOOLS

## Huber Heights City School District, Ohio

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*Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023*

*(Unaudited)*

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Our discussion and analysis of Huber Heights City School District's, (the District), financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

### **Financial Highlights**

- At June 30, 2023, the District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$96.1 million.
- The District's net position increased by \$5.5 million compared with the \$11.0 million increase reported in the prior year. The increase in net capital assets (construction in progress) outpaced the net increase of liabilities and deferred inflows of resources resulted in the current year increase in net position.
- At the end of the current fiscal year, the unassigned fund balance for the general fund, the District's operating fund, was \$45.5 million or 66.3% of the general fund expenditures.
- The District's total general obligation debt, including unamortized premiums, decreased by \$3.0 million or 4.6%.

### **Using this Annual Comprehensive Annual Financial Report**

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

### **Reporting the District as a Whole**

#### *The Statement of Net Position and Statement of Activities*

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

These two statements report the District's net position and changes in that position providing the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

## Huber Heights City School District, Ohio

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*Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023*

*(Unaudited)*

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### **Reporting the District's Most Significant Funds**

#### *Fund Financial Statements*

The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's different types of funds, governmental and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

#### *Governmental Funds*

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

#### *Fiduciary Funds*

The District is the trustee, or fiduciary, for its scholarship programs as well as for various student managed activities. The District reports two fiduciary funds; one private purpose trust fund to account for scholarship resources for students and the other a custodial fund to account for resources collected and disbursed related to State athletic tournament games held within the District for which the District acts as the fiscal agent. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its' operations.

#### *Notes to the Basic Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### *Required Supplementary Information*

As required, the District provides certain schedules and disclosures related to the State-wide pension and post-employment benefit plans in which District employee participate in. This information is required by the Government Accounting Standards Board to place the basic financial statements in the appropriate operational, economic or historical context.

## Huber Heights City School District, Ohio

Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023

(Unaudited)

### The District as a Whole

The statement of net position provides the perspective of the District as a whole. A comparative analysis of fiscal year 2023 to 2022 follows:

**TABLE 1**  
**NET POSITION JUNE 30**

	2023	2022
<b>Assets:</b>		
Current and Other Assets	\$ 119,722,578	\$ 119,602,644
Capital Assets	<u>155,888,839</u>	<u>146,825,980</u>
Total Assets	<u>275,611,417</u>	<u>266,428,624</u>
<b>Deferred Outflows of Resources:</b>		
Deferred Charge on Refundings	6,305,852	6,866,594
Pension and OPEB	<u>22,353,629</u>	<u>22,923,361</u>
Total Deferred Outflows of Resources	<u>28,659,481</u>	<u>29,789,955</u>
<b>Liabilities:</b>		
Current Liabilities	8,799,895	8,748,597
Noncurrent Liabilities:		
Due Within One Year	3,725,843	3,446,685
Due in More than One Year:		
Net Pension Liability	76,627,983	45,146,614
Net OPEB Liability	3,809,921	4,875,559
Other Obligations	<u>68,543,406</u>	<u>70,372,207</u>
Total Liabilities	<u>161,507,048</u>	<u>132,589,662</u>
<b>Deferred Inflows of Resources:</b>		
Property Taxes and Payments in Lieu	29,920,927	27,396,070
Pension and OPEB	<u>16,710,469</u>	<u>45,561,988</u>
Total Deferred Inflows of Resources	<u>46,631,396</u>	<u>72,958,058</u>
<b>Net Position (Deficit):</b>		
Net Investment in Capital Assets	96,433,072	87,836,516
Restricted	19,623,221	18,144,167
Unrestricted	<u>(19,923,839)</u>	<u>(15,309,824)</u>
Total Net Position	<u>\$ 96,132,454</u>	<u>\$ 90,670,859</u>

The net pension liability (NPL) is reported pursuant to GASB 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27", and the net OPEB asset/liability is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

## Huber Heights City School District, Ohio

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Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability 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



## Huber Heights City School District, Ohio

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*Management's Discussion & Analysis  
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outside the control of the local government. In the event the 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.

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

As noted earlier, increases or decreases in net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$96.1 million at the close of the most recent fiscal year compared with the \$90.7 million amount reported at the end of the prior year.

During fiscal year 2023, the total assets of the District increased by 3.4%, or \$9.2 million. Capital assets increased by \$9.1 million (6.2%) as current year capital asset additions, primarily construction in progress associated with the Wayne CTC building and new roofs for existing buildings, was more than the depreciation expense recorded for the year. At year end, capital assets represented 56.6% of total assets. Current and other asset accounts increased slightly (0.1%), as the increase in net OPEB asset reported was greater than the decrease of pooled cash and cash equivalents.

Total liabilities reported at June 30, 2023 increased by \$28.9 million (21.8%) from the amounts at the beginning of the year. The net pension and OPEB liabilities reported for the current year were \$30.4 million more than the amount reported for those liabilities a year ago based on annual information provided by the retirement systems. Combined, these two liabilities represent 49.8% of the total liabilities reported by the District. The District's proportionate share of the net pension liability and net OPEB liabilities will fluctuate significantly from year to year primarily based on the return on investments realized by the pension/OPEB plans during the measurement year, as well as any change in the actuarial assumptions adopted by the plans. Remaining components of total liabilities decreased by \$1.5 million during the year due to the scheduled debt service payments on debt obligations during the year.

The changes reported for total deferred inflows and outflows of resources directly relate to the District recording the components of the net pension and OPEB liabilities due to change in proportionate share of the net pension liability and net OPEB asset/liability for fiscal year 2023 compared to the prior year as well as amortization of actual earnings versus projected over a period of time.

Net position at June 30, 2023 was \$5.5 million more than the amount at the beginning of the year. Increase in net investment in capital assets resulted from the current year additions exceeding depreciation as well as decrease in capital related debt. Restricted net position decreased as the District utilized restricted cash for capital activity during the fiscal year.

## Huber Heights City School District, Ohio

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(Unaudited)

The unrestricted net position (deficit) increased during the current year by \$3.4 million (17.1%) due to the large increase in the net pension liability recorded for the year. However, if the components of recording the net pension liabilities and the net OPEB asset and liability are removed from the Statement of Net Position, the District's ending unrestricted net position would be a positive \$49.3 million instead of the reported \$18.2 million deficit. We feel this is important to mention as the management of the District has no control over the management of the State-wide pension/OPEB plans or the benefits offered; both of which control the net pension and OPEB components which significantly effects the District's financial statements.

A comparative analysis of change in net position for fiscal year 2023 and 2022 follows:

**TABLE 2**  
**CHANGE IN NET POSITION, JUNE 30**

	2023	2022
<b>Revenues:</b>		
Program Revenues:		
Charges for Services	\$ 3,149,870	\$ 2,118,033
Operating Grants and Contributions	17,798,456	9,778,496
General Revenues:		
Property Taxes	31,228,312	38,084,755
Grants and Entitlements	38,626,245	39,531,536
Investment Earnings	1,475,995	(1,500,796)
Miscellaneous	1,594,976	2,264,901
Total Revenues	93,873,854	90,276,925
<b>Expenses:</b>		
Instruction	54,985,916	48,504,120
Support Services:		
Pupils and Instructional Staff	8,370,907	6,793,710
Board of Education, Administration		
Fiscal and Business	7,805,696	6,487,369
Operation and Maintenance of Plant	4,798,426	5,718,898
Pupil Transportation	3,866,074	3,158,607
Central	1,400,422	2,014,312
Operation of Non-Instructional Services	3,235,701	2,841,066
Extracurricular Activities	1,406,918	1,184,406
Interest and Issuance Costs	2,542,199	2,610,463
Total Expenses	88,412,259	79,312,951
<b>Change in Net Position</b>	5,461,595	10,963,974
<b>Net Position, Beginning of Year</b>	90,670,859	79,706,885
<b>Net Position, End of Year</b>	\$ 96,132,454	\$ 90,670,859

## Huber Heights City School District, Ohio

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*Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023*

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### *Governmental Activities*

Total governmental expenses of \$88.4 million exceeded program revenues of \$20.9 million, leaving the remaining \$67.5 million to be covered by general revenues. Program revenues supported 23.7% of the total governmental expenses. The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements which are reported as general revenues. These two revenue sources represent 74.4% of total governmental revenue.

The property tax laws in Ohio create the need to periodically seek voter approval for additional operating funds. In general, tax revenues generated from a levy do not increase as a result of inflation. An operating levy is approved for a fixed millage rate, but the rate is reduced for inflation with the effect of providing the District the same amount of tax dollars as originally approved. Therefore, school districts, must periodically return to the ballot and ask voters for additional resources to maintain current programs. Due to revenue growth limitations, management of the resources provided is of paramount concern to District administration. The District utilizes a five-year cash financial forecast to estimate revenues and control expenditures whenever possible.

Total program revenues increased \$9.1 million as the District reported increases in charges for services associated with food service and extracurricular activities as programs returned to a normal state of operations after the global pandemic. Operating grants and entitlements increased 82.0% as the District utilized the Elementary and Secondary School Economic Relief funding during the fiscal year as well as changes in State foundation funding that specified operational activities (special education and transportation), which were reported as general or entitlement grants in prior years. Property taxes decreased by 18.0% compared to those reported for the prior year due to a lower amount available for advance at the end of the current year reported by the County as opposed to the amount reported one year before.

The expenses reported for fiscal year 2023 are \$9.1 million more than those reported for the prior year as a result of the increase in the net pension and OPEB expense adjustments reported for the current year compared to those recorded in the prior year. In the prior year, the required adjustments to functional expenses increased total expenses by \$707,168. For the current fiscal year, these same adjustments resulted in increasing functional expenses as well, but by \$7.7 million. The \$7.0 million increase in net pension and OPEB expense adjustments account for the majority of the overall decrease in expenses reported for the fiscal year. Other increase in expenses related to higher cost of personnel associated with wage increases as well as cost of employee benefits provided.

The largest expense of the District is for instructional programs. Instructional expenses total \$55.0 million or 62.2% of the total governmental expenses reported for fiscal year 2023 compared with 61.2% reported for the prior year. The increase in pension and OPEB expense adjustments associated with the teacher's retirement system was significantly more than that associated with the non-teaching employees retirement system which resulted in larger increases being reported for instructional related functions.

## Huber Heights City School District, Ohio

Management's Discussion & Analysis  
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(Unaudited)

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. Comparisons to 2022 are as follows:

**TABLE 3  
TOTAL AND COST OF PROGRAM SERVICES  
FOR THE FISCAL YEAR ENDED JUNE 30,**

	2023		2022	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 54,985,916	\$ (42,052,472)	\$ 48,504,120	\$ (42,605,438)
Support Services	26,241,525	(22,266,709)	24,172,896	(22,941,615)
Operation of Non-Instructional Services	3,235,701	65,985	2,841,066	1,284,577
Extracurricular Activities	1,406,918	(668,538)	1,184,406	(543,483)
Interest and Issuance Costs	2,542,199	(2,542,199)	2,610,463	(2,610,463)
<b>Total Expenses</b>	<b>\$ 88,412,259</b>	<b>\$ (67,463,933)</b>	<b>\$ 79,312,951</b>	<b>\$ (67,416,422)</b>

It is apparent from the information presented in Table 3 above, that funding the operation of the District remains heavily reliant on general revenues. During fiscal year 2023, general revenues accounted for 77.7% of total revenues for governmental activities. The reliance on general revenues to support governmental activities is indicated by the net services column reflecting the need for approximately \$67.5 million of support to finance the functions, or 76.3% of the total expenses for the governmental activities. Non-instructional services, primarily food service operations, was the only significant functional area reported program revenues exceeding functional expenses due to significant reimbursement of expenses associated with school breakfast and lunch programs through the Federal Nutrition Cluster of grant programs.

### The District's Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$94.5 million and expenditures of \$97.7 million. Overall fund balance of governmental funds decreased \$3.2 million over those at June 30, 2022.

The general fund is the primary operating fund of the District. The general fund balance increased by \$919,033 during the year compared with a \$2.4 million decrease reported in the prior year. General fund revenues decreased 5.6% compared to those reported for fiscal year 2022 as property tax revenue decreased due to significantly less revenue being recorded associated with the amount available for advance at year-end compared to one year prior. Investment earnings increased due to favorable investment rates during the current year compared with those available in prior year. Expenditures of the fund decreased by \$2.5 million (3.5%) compared with those reported in the prior year as the District reallocated certain expenditures to the COVID-19 pandemic related funding for the current year. The ending unassigned fund balance of the general fund at June 30, 2023 (\$45.5 million) represents 66.3% of the total expenditures reported by the general fund for the year then ended.

## Huber Heights City School District, Ohio

Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023

(Unaudited)

The District's other major governmental fund, the Elementary & Secondary School Emergency Relief (ESSER) fund, accounts for the federal COVID-19 economic assistance provided through the Ohio Department of Education to address various economic challenges encountered as a result of the pandemic. As such, certain expenditures reported within this fund would typically be reported in other governmental funds, specifically the general fund, if this funding source did not exist. During the current year, the District reported \$10.0 million of grant revenue and \$10.6 million of expenditures within the fund. The deficit fund balance reported at year-end is attributed to the related liabilities recorded and will be recovered through funding provided in the subsequent fiscal year.

### General Fund Budget Information

During fiscal year 2023, the District modified the general fund's budget on a few occasions. Revenues, excluding other financing sources, were originally budgeted at \$69.7 million which was increased to \$71.2 million over the course of the year. Expenditures, excluding other financing uses, were initially budgeted at \$73.5 million and increased to \$75.0 million to reflect actual spending patterns as the year progressed. Actual budgetary revenues were \$497,733 less than the final budgeted revenues while actual budgetary expenditures ended \$5.3 million less than the final budgeted expenditures as expenditure originally anticipated to be paid from the general fund were reallocated to other funds.

The ending actual budgetary fund balance of the general fund ended fiscal year 2023 at \$57.7 million, or \$3.8 million more than the original budgeted ending balance. The ending general fund balance on a budget basis represents 82.8% of the budgetary expenditures reported for the year, excluding other financing uses.

### Capital Assets

Table 4 shows the fiscal year 2023 capital asset balances compared to fiscal year 2022.

**TABLE 4**  
**CAPITAL ASSETS, JUNE 30**

	2023	2022
Land	\$ 915,794	\$ 915,794
Construction in Progress	10,075,364	495,450
Land Improvements	772,584	843,318
Buildings and Improvements	142,128,066	142,793,804
Machinery and Equipment	452,709	473,938
Vehicles	1,544,322	1,303,676
<b>Total Net Capital Assets</b>	<b>\$ 155,888,839</b>	<b>\$ 146,825,980</b>

At the end of the fiscal year 2023, the District had \$155.9 million invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, and vehicles.

## Huber Heights City School District, Ohio

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*Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2023*

*(Unaudited)*

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During the year, the District reported capital asset additions totaling \$11.0 million while depreciation expense on all capital assets was \$1.9 million for the fiscal year. Major capital asset investments for the year included \$9.6 million of construction in progress associated with new construction of the Wayne CTC building, two roof replacement projects at existing school facilities, and the replacement of the high school stadium's track; \$800,550 of building improvements made to Studebaker preschool building; and \$326,991 for the acquisition of new school buses. Additional information regarding capital assets can be found in Note 8 of this report.

### **Debt Administration**

At June 30, 2023, the District had \$62.2 million in outstanding general obligation bonds, including \$5.0 million of unamortized bond premiums. During the fiscal year, the District paid \$2.5 million in principal on bonds and another \$2.6 million of principal is due to mature within one year.

The District's other debt obligation, direct-financing agreements, totaled \$5.1 million at June 30, 2023 compared with the \$5.7 million at the beginning of the fiscal year. In prior years, the District entered into these agreements to finance building improvement and furnishing as well as the acquisition of school buses.

Detailed information regarding long term debt obligations is included in Note 11 to the basic financial statements.

### **Contacting the District**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the District's financial position and to show the District's accountability for the funds it receives. Should you have any questions about this report or any other financial matter, contact the Treasurer's Office at Huber Heights City School District, 5954 Longford Road, Huber Heights, Ohio 45424.

**Huber Heights City School District, Ohio**

*Statement of Net Position  
June 30, 2023*

	<b>Governmental Activities</b>
<b>ASSETS:</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 77,526,183
Inventory Held for Resale	38,274
Materials and Supplies Inventory	105,770
Accounts Receivable	175,302
Intergovernmental Receivable	763,363
Property Taxes Receivable	32,321,256
Payments in Lieu of Taxes Receivable	1,550,000
Net OPEB Asset	7,242,430
Nondepreciable Capital Assets	10,991,158
Depreciable Capital Assets, net	144,897,681
<i>Total Assets</i>	<i>275,611,417</i>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred Charge on Refunding	6,305,852
Pension	20,392,598
OPEB	1,961,031
<i>Total Deferred Outflows of Resources</i>	<i>28,659,481</i>
<b>LIABILITIES:</b>	
Accounts Payable	395,786
Accrued Wages and Benefits	6,498,508
Intergovernmental Payable	1,427,876
Accrued Interest Payable	186,027
Matured Compensated Absences Payable	291,698
Long-Term Liabilities:	
Due Within One Year	3,725,843
Due in More Than One Year:	
Net Pension Liability	76,627,983
Net OPEB Liability	3,809,921
Other Amounts	68,543,406
<i>Total Liabilities</i>	<i>161,507,048</i>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Property Taxes not Levied to Finance Current Year Operations	28,370,927
Payments in Lieu of Taxes not Levied to Finance Current Year	1,550,000
Pension	6,437,773
OPEB	10,272,696
<i>Total Deferred Inflows of Resources</i>	<i>46,631,396</i>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	96,433,072
Restricted for Debt Service	3,171,448
Restricted for Capital Outlay	7,513,595
Restricted for Classroom Maintenance	4,607,991
Restricted for Food Service	1,820,074
Restricted for OPEB Benefits	1,706,905
Restricted for Federal and State Educational Grants	576,752
Restricted for Other Purposes	226,456
Unrestricted	(19,923,839)
<i>Total Net Position</i>	<i>\$ 96,132,454</i>

The notes to the basic financial statements are an integral part of this statement.

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HUBER HEIGHTS

CITY SCHOOLS



**Huber Heights City School District, Ohio**

*Statement of Activities  
For the Fiscal Year Ended June 30, 2023*

	Program Revenues			Net (Expense) Revenue and Change in Net Position
Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	
<b>Governmental Activities:</b>				
Instruction:				
Regular	\$ 36,611,212	\$ 1,007,126	\$ 3,367,833	\$ (32,236,253)
Special	17,321,980	949,382	6,585,097	(9,787,501)
Vocational	18,789	-	66,253	47,464
Other	1,033,935	-	957,753	(76,182)
Support Services:				
Pupils	6,282,096	-	402,969	(5,879,127)
Instructional Staff	2,088,811	-	387,172	(1,701,639)
Board of Education	19,639	-	-	(19,639)
Administration	5,889,624	-	368,409	(5,521,215)
Fiscal	1,434,443	-	-	(1,434,443)
Business	461,990	-	-	(461,990)
Operation and Maintenance of Plant	4,798,426	-	675,264	(4,123,162)
Pupil Transportation	3,866,074	8,938	2,132,064	(1,725,072)
Central	1,400,422	-	-	(1,400,422)
Operation of Non-Instructional Services	3,235,701	446,044	2,855,642	65,985
Extracurricular Activities	1,406,918	738,380	-	(668,538)
Interest and Fiscal Charges	2,542,199	-	-	(2,542,199)
<b>Total Governmental Activities</b>	<b>\$ 88,412,259</b>	<b>\$ 3,149,870</b>	<b>\$ 17,798,456</b>	<b>(67,463,933)</b>
General Revenues:				
Grants and Entitlements not Restricted to Specific Programs				38,626,245
Investment Earnings				1,475,995
Miscellaneous				1,594,976
Property Taxes Levied for:				
General Purposes				26,247,553
Debt Service				4,129,783
Capital Projects				567,317
Facilities Maintenance				283,659
<b>Total General Revenues</b>				<b>72,925,528</b>
<b>Change in Net Position</b>				<b>5,461,595</b>
<b>Net Position - Beginning of Year</b>				<b>90,670,859</b>
<b>Net Position - End of Year</b>				<b>\$ 96,132,454</b>

The notes to the basic financial statements are an integral part of this statement.

**Huber Heights City School District, Ohio**

*Balance Sheet  
Governmental Funds  
June 30, 2023*

	<u>General Fund</u>	<u>ESSER Grant Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 57,645,193	\$ 774,361	\$ 19,080,624	\$ 77,500,178
Restricted: Cash and Cash Equivalents	-	-	26,005	26,005
Inventory Held for Resale	-	-	38,274	38,274
Materials and Supplies Inventory	88,593	-	17,177	105,770
Accounts Receivable	164,939	-	10,363	175,302
Interfund Receivable	1,308,000	-	-	1,308,000
Intergovernmental Receivable	107,826	237,638	417,899	763,363
Property Taxes Receivable	27,143,911	-	5,177,345	32,321,256
Payments in Lieu of Taxes Receivable	1,550,000	-	-	1,550,000
<i>Total Assets</i>	<u>\$ 88,008,462</u>	<u>\$ 1,011,999</u>	<u>\$ 24,767,687</u>	<u>\$ 113,788,148</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 359,299	\$ 13,250	\$ 23,237	\$ 395,786
Accrued Wages and Benefits	5,627,097	492,785	378,626	6,498,508
Interfund Payable	-	1,012,000	296,000	1,308,000
Intergovernmental Payable	1,365,240	10,459	52,177	1,427,876
Matured Compensated Absences Payable	214,328	-	77,370	291,698
<i>Total Liabilities</i>	<u>7,565,964</u>	<u>1,528,494</u>	<u>827,410</u>	<u>9,921,868</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes not Levied to Finance Current Year Operations	23,829,121	-	4,541,806	28,370,927
Payments in Lieu of Taxes not Levied to Finance Current Year Operations	1,550,000	-	-	1,550,000
Unavailable Revenue	510,419	237,638	231,870	979,927
<i>Total Deferred Inflows of Resources</i>	<u>25,889,540</u>	<u>237,638</u>	<u>4,773,676</u>	<u>30,900,854</u>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Materials and Supplies Inventory	88,593	-	17,177	105,770
<b>Restricted:</b>				
Capital Outlay	-	-	8,989,200	8,989,200
Debt Service	-	-	3,301,721	3,301,721
Food Service	-	-	1,962,545	1,962,545
Facilities Maintenance	-	-	4,604,239	4,604,239
State and Federal Grant Programs	-	-	572,433	572,433
Other Purposes	-	-	216,093	216,093
<b>Committed:</b>				
Pollution Remediation	11,000	-	-	11,000
<b>Assigned:</b>				
School Supported Activities	256,857	-	-	256,857
School Supplies	12,100	-	-	12,100
Future Purchase Commitments	770,133	-	-	770,133
Subsequent Year Appropriations	7,877,481	-	-	7,877,481
Unassigned (Deficit)	45,536,794	(754,133)	(496,807)	44,285,854
<i>Total Fund Balances</i>	<u>54,552,958</u>	<u>(754,133)</u>	<u>19,166,601</u>	<u>72,965,426</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 88,008,462</u>	<u>\$ 1,011,999</u>	<u>\$ 24,767,687</u>	<u>\$ 113,788,148</u>

The notes to the basic financial statements are an integral part of this statement.

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**Huber Heights City School District, Ohio**

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*Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
June 30, 2023*

<b>Total Governmental Fund Balances</b>	\$	72,965,426
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		155,888,839
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.		
Taxes		412,489
Tuition and Fees		175,302
Intergovernmental Receivable		392,136
Certain items will not be recognized as expenditures for the current period and therefore are reported as deferred outflows of resources in the funds.		
Deferred Charge on Refunding		6,305,852
The net OPEB asset is not a current asset and the net pension and OPEB liabilities are not due and payable in the current period; therefore those assets and liabilities and related deferred outflows/inflows are not reported in governmental funds.		
Net OPEB Asset		7,242,430
Deferred Outflows - Pension and OPEB		22,353,629
Deferred Inflows - Pension and OPEB		(16,710,469)
Net Pension and OPEB Liabilities		(80,437,904)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds		(57,225,000)
Direct Borrowings - Lease Purchases		(5,068,521)
Compensated Absences		(5,024,522)
Unamortized Bond Premium		(4,951,206)
Accrued Interest on Long-Term Debt		(186,027)
<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b>96,132,454</b>

The notes to the basic financial statements are an integral part of this statement.

**Huber Heights City School District, Ohio**

*Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2023*

	<u>General Fund</u>	<u>ESSER Grant Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 26,517,136	\$ -	\$ 5,032,485	\$ 31,549,621
Payments in Lieu of Taxes	1,353,273	-	-	1,353,273
Intergovernmental	37,939,630	10,007,452	8,690,596	56,637,678
Interest	1,472,757	-	3,238	1,475,995
Tuition and Fees	1,836,701	-	-	1,836,701
Rent	45,956	-	-	45,956
Extracurricular Activities	230,214	-	587,518	817,732
Gifts and Donations	-	-	102,495	102,495
Customer Sales and Services	-	-	446,044	446,044
Miscellaneous	265,247	-	-	265,247
<i>Total Revenues</i>	<u>69,660,914</u>	<u>10,007,452</u>	<u>14,862,376</u>	<u>94,530,742</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	29,689,891	3,251,862	309,733	33,251,486
Special	14,209,070	-	2,695,032	16,904,102
Vocational	10,860	-	7,929	18,789
Other	131,380	940,591	21,118	1,093,089
<b>Support Services:</b>				
Pupils	5,279,584	159,531	440,382	5,879,497
Instructional Staff	1,491,328	155,699	432,456	2,079,483
Board of Education	19,639	-	-	19,639
Administration	5,306,281	250,771	121,451	5,678,503
Fiscal	1,407,223	-	88,299	1,495,522
Business	434,626	-	-	434,626
Operation and Maintenance of Plant	4,817,247	-	782,569	5,599,816
Pupil Transportation	3,493,757	560,611	79,489	4,133,857
Central	1,563,947	-	-	1,563,947
Operation of Non-Instructional Services	-	-	3,315,398	3,315,398
Extracurricular Activities	822,048	-	640,383	1,462,431
Capital Outlay	-	5,261,165	3,910,310	9,171,475
<b>Debt Service:</b>				
Principal	-	-	3,130,648	3,130,648
Interest	-	-	2,473,558	2,473,558
<i>Total Expenditures</i>	<u>68,676,881</u>	<u>10,580,230</u>	<u>18,448,755</u>	<u>97,705,866</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	984,033	(572,778)	(3,586,379)	(3,175,124)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers In	-	-	65,000	65,000
Transfers Out	(65,000)	-	-	(65,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(65,000)</u>	<u>-</u>	<u>65,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	919,033	(572,778)	(3,521,379)	(3,175,124)
<i>Fund Balance at Beginning of Year</i>	<u>53,633,925</u>	<u>(181,355)</u>	<u>22,687,980</u>	<u>76,140,550</u>
<i>Fund Balance at End of Year</i>	<u>\$ 54,552,958</u>	<u>\$ (754,133)</u>	<u>\$ 19,166,601</u>	<u>\$ 72,965,426</u>

The notes to the basic financial statements are an integral part of this statement.

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**Huber Heights City School District, Ohio**

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*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, 2023*

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**Net Change in Fund Balances - Total Governmental Funds** \$ (3,175,124)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.

Capital asset additions	10,976,555
Depreciation expense	(1,913,696)

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

(656,888)

The issuance of long-term debt (e.g., bonds, financed purchases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts, deferred loss on refundings when debt is first issued, whereas these amounts are amortized in the statement of activities.

Repayment of long-term bonds and financed purchases	3,130,648
Current year amortization of bond premium	481,991
Current year amortization of deferred charge on refunding	(560,742)

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 the governmental funds.

Accrued interest payable	10,110
Compensated absences	(2,062,996)

Contractually required pension and OPEB plan contributions are reported as expenditures in the governmental funds, however, the statement of activities reports these amounts as deferred outflows.

6,900,510

Except for amounts reported as deferred outflows/inflows, changes in the net pension and OPEB liabilities are reported as negative pension and OPEB expense among the functions in the statement of activities.

(7,668,773)

**Change in Net Position of Governmental Activities**

**\$ 5,461,595**

The notes to the basic financial statements are an integral part of this statement.

**Huber Heights City School District, Ohio**

*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2023*

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues:</b>				
Property Taxes	\$ 27,645,937	\$ 28,014,536	\$ 28,014,536	\$ -
Intergovernmental	39,051,589	39,151,500	37,939,630	(1,211,870)
Interest	400,000	1,143,469	1,376,400	232,931
Tuition and Fees	1,282,167	1,444,555	1,653,351	208,796
Extracurricular Activities	130,160	159,899	150,659	(9,240)
Gifts and Donations	1,000	1,000	-	(1,000)
Rent	75,000	75,000	45,956	(29,044)
Miscellaneous	1,124,000	1,199,000	1,510,694	311,694
<i>Total Revenues</i>	<u>69,709,853</u>	<u>71,188,959</u>	<u>70,691,226</u>	<u>(497,733)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	33,045,299	33,324,651	29,742,280	3,582,371
Special	14,200,994	14,217,184	14,156,805	60,379
Vocational	11,100	11,100	10,860	240
Other	134,243	149,207	143,638	5,569
Support Services:				
Pupils	5,384,742	5,371,574	5,241,224	130,350
Instructional Staff	1,742,115	1,754,897	1,548,413	206,484
Board of Education	5,093	19,093	19,639	(546)
Administration	5,468,359	5,534,981	5,307,466	227,515
Fiscal	1,204,072	1,542,944	1,440,262	102,682
Business	396,404	462,905	468,856	(5,951)
Operation and Maintenance of Plant	5,476,907	5,922,440	5,261,933	660,507
Pupil Transportation	3,784,509	3,807,503	3,513,287	294,216
Central	1,988,582	2,209,006	2,004,757	204,249
Extracurricular Activities	676,175	676,175	811,932	(135,757)
<i>Total Expenditures</i>	<u>73,518,594</u>	<u>75,003,660</u>	<u>69,671,352</u>	<u>5,332,308</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>(3,808,741)</u>	<u>(3,814,701)</u>	<u>1,019,874</u>	<u>4,834,575</u>
<b>Other Financing Sources (Uses):</b>				
Advances In	391,500	391,500	391,500	-
Refund of Prior Year Expenditures	150,000	150,000	-	(150,000)
Transfers Out	(100,000)	(100,000)	(145,000)	(45,000)
Advances Out	(500,000)	(500,000)	(1,308,000)	(808,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(58,500)</u>	<u>(58,500)</u>	<u>(1,061,500)</u>	<u>(1,003,000)</u>
<i>Net Change in Fund Balance</i>	<u>(3,867,241)</u>	<u>(3,873,201)</u>	<u>(41,626)</u>	<u>3,831,575</u>
<b>Fund Balance, July 1</b>	56,904,269	56,904,269	56,904,269	-
<b>Prior Year Encumbrances</b>	846,239	846,239	846,239	-
<b>Fund Balance, June 30</b>	<u>\$ 53,883,267</u>	<u>\$ 53,877,307</u>	<u>\$ 57,708,882</u>	<u>\$ 3,831,575</u>

The notes to the basic financial statements are an integral part of this statement.

**Huber Heights City School District, Ohio**

*Statement of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Elementary & Secondary School Emergency Relief (ESSER) Fund  
For the Fiscal Year Ended June 30, 2023*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues:</b>				
Intergovernmental	\$ 15,343,636	\$ 15,581,699	\$ 10,007,452	\$ (5,574,247)
<i>Total Revenues</i>	<u>15,343,636</u>	<u>15,581,699</u>	<u>10,007,452</u>	<u>(5,574,247)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	2,632,979	2,632,979	2,785,210	(152,231)
Special	9,000	-	-	-
Other	2,332,014	2,341,014	948,333	1,392,681
Support Services:				
Pupils	168,140	168,140	169,187	(1,047)
Instructional Staff	497,748	497,748	154,456	343,292
Administration	251,708	251,708	231,282	20,426
Pupil Transportation	676,461	676,461	560,611	115,850
Operation of Non-Instructional Services	1,000	1,000	-	1,000
Capital Outlay	8,611,994	8,771,064	5,995,919	2,775,145
<i>Total Expenditures</i>	<u>15,181,044</u>	<u>15,340,114</u>	<u>10,844,998</u>	<u>4,495,116</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>162,592</u>	<u>241,585</u>	<u>(837,546)</u>	<u>(1,079,131)</u>
<b>Other Financing Sources (Uses):</b>				
Advances In	211,115	211,115	1,012,000	800,885
Advances Out	(210,000)	(210,000)	(210,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>1,115</u>	<u>1,115</u>	<u>802,000</u>	<u>800,885</u>
<i>Net Change in Fund Balance</i>	163,707	242,700	(35,546)	(278,246)
<b>Fund Balance (Deficit), July 1</b>	(1,115)	(1,115)	(1,115)	-
<b>Prior Year Encumbrances</b>	47,408	47,408	47,408	-
<b>Fund Balance, June 30</b>	<u>\$ 210,000</u>	<u>\$ 288,993</u>	<u>\$ 10,747</u>	<u>\$ (278,246)</u>

The notes to the basic financial statements are an integral part of this statement.

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**Huber Heights City School District, Ohio**

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*Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2023*

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	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
ASSETS:		
Current Assets:		
Equity in Pooled Cash and Cash Equivalents	\$ 13,926	\$ 27,370
<i>Total Assets</i>	<u>13,926</u>	<u>27,370</u>
LIABILITIES:		
Current Liabilities:		
Accounts Payable	3,000	-
<i>Total Liabilities</i>	<u>3,000</u>	<u>-</u>
NET POSITION:		
Restricted for Student Scholarships	10,926	-
Restricted for Individuals, Organizations, and Other Governments	<u>-</u>	<u>27,370</u>
<i>Total Net Position</i>	<u>\$ 10,926</u>	<u>\$ 27,370</u>

The notes to the basic financial statements are an integral part of this statement.



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**Huber Heights City School District, Ohio**

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*Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Fiscal Year Ended June 30, 2023*

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	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
ADDITIONS:		
Gifts and Donations	\$ 2,877	\$ -
Investment Earnings	200	-
Extracurricular Amounts Collected for Other Governments	<u>-</u>	<u>1,404</u>
<i>Total Additions</i>	<u>3,077</u>	<u>1,404</u>
DEDUCTIONS:		
Payments in Accordance with Trust Agreements	3,000	-
Extracurricular Disbursements to Other Organizations	<u>-</u>	<u>13,365</u>
<i>Total Deductions</i>	<u>3,000</u>	<u>13,365</u>
<i>Change in Net Position</i>	77	(11,961)
<i>Net Position at Beginning of Year</i>	<u>10,849</u>	<u>39,331</u>
<i>Net Position at End of Year</i>	<u>\$ 10,926</u>	<u>\$ 27,370</u>

The notes to the basic financial statements are an integral part of this statement.

# Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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## **1. Description of the District and Reporting Entity**

The Huber Heights City School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five member board and is responsible for the provision of public education to residents of the District. The Board controls the District’s instructional/support facilities staffed by 281 non-certificated staff, 419 certificated staff members and 40 administrative staff to provide services to 5,869 students.

### **Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the District are not misleading.

The primary government consists of all funds and departments, which provide various services including instruction, student guidance, extracurricular activities, food service, pre-school, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

Current State legislation provides funding to parochial schools, as well as the community and Montessori schools within the District boundaries. These monies are received and disbursed on behalf of the non-public school by the treasurer of the District, as directed by the non-public school. The State monies received/dispursed by the District are reflected as a governmental activity for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing body and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations for which the District approves the budget, the issuance of debt or the levying of taxes. The District does not have any component units.

The District is associated with four organizations, which are defined as jointly governed, and one public entity risk pool. These organizations include the Metropolitan Educational Technical Association (META), the Southwestern Ohio Educational Purchasing Council, the Miami Valley Career Technology Center, Southwestern Ohio Instructional Technology Association, and the Southwestern Ohio Educational Purchasing Council Employee Benefit Plan Trust.

# Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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## **2. Summary of Significant Accounting Policies**

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's policies are described below.

### **a. Fund Accounting**

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

#### *Governmental Funds*

Governmental funds are those through which most governmental functions of the District 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 liabilities and deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

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

Elementary & Secondary School Emergency Relief (ESSER) Grant Fund – This fund is used to account for federal funds allocated to assist school districts address the financial and operational issues caused by the COVID-19 pandemic and ensuing emergency orders.

Other governmental funds of the District may be used to account for specific resources that are restricted or committed to specified purposes.

#### *Fiduciary Funds*

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The District's one private purpose trust fund is used to account for scholarship resources for students. Custodial funds are used to account for fiduciary activity not accounted for within trust funds. The District's custodial fund accounts resources collected, disbursed and undistributed funds related to state athletic tournament games held within the District for which the District acts as the fiscal agent.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **2. Summary of Significant Accounting Policies (continued)**

#### **b. Basis of Presentation**

##### *Government-wide Financial Statements*

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The government-wide statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position. This approach differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

##### *Fund Financial Statements*

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and liabilities, as well as deferred inflows of resources, are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current fund balances. Like the government-wide statements, fiduciary funds are accounted for on a flow of economic resources measurement focus.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### 2. Summary of Significant Accounting Policies (continued)

#### c. **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The Fund financial statements are prepared using either modified accrual for governmental funds or accrual basis for fiduciary funds.

#### *Revenues, Exchange and Non-exchange Transactions*

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period of the District is sixty (60) days after year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, tuition, grants and student fees.

#### *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 assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension, and OPEB. 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 pension and OPEB plans are explained further in Notes 12 and 13.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **2. Summary of Significant Accounting Policies (continued)**

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 assets that applies to a future period and will not be recognized as an inflow of resources until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes delinquent property taxes, intergovernmental grants, student fees, and tuition. These amounts are deferred and recognized as an inflow of resources as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 12 and 13).

#### *Expenditures/Expenses*

The measurement focus of governmental fund accounting is on flow of current financial resources. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities to the extent that payments come due each period upon the occurrence of employee resignations and retirements. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

The accrual basis of accounting utilized by the government-wide recognize revenues when they are earned, and expenses are recognized at the time they are incurred.

#### *Budgets and Budgetary Accounting*

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than custodial funds, are legally required to be budgeted and appropriated, however the District elects to adopt appropriations and budgets for its custodial fund. The legal level of control is at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

## Huber Heights City School District, Ohio

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### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023*

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#### **2. Summary of Significant Accounting Policies (continued)**

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

##### *Tax Budget*

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing on the following July 1. The budget includes proposed expenditures and means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayer's comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Montgomery County Budget Commission for rate determination.

##### *Estimated Resources*

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. The certificate may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2023.

##### *Appropriations*

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education at the fund-function level of expenditures for the general fund and fund level for all other funds, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals at the legal level of control. Any revisions that alter the appropriation above the legal level of control, must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriation by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The budget figures, which appear in the statements of budgetary comparison, represent the final appropriation amounts, including all amendments and modifications.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### 2. Summary of Significant Accounting Policies (continued)

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures from exceeding appropriations. On the fund financial statement encumbrances are reported within the restricted, committed or assigned fund balances depending on the restrictions placed upon the resources encumbered. For the general fund, encumbrances are reported as a component of assigned fund balance indicating that amount is not currently available. Encumbrances are reported as part of expenditures on a non-GAAP budgetary basis.

#### *Lapsing of Appropriations*

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbered appropriations are carried forward to the succeeding fiscal year and are not re-appropriated.

#### **d. Cash and Cash Equivalents**

The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents. The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The monies are either maintained in a central bank account or used to purchase legal investments.

The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations; bank certificates of deposit; bankers' acceptances; commercial paper notes rated prime and issued by United States corporations; and STAR Ohio.

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

For fiscal year 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, advance notice is requested for all deposits or withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participants will be combined for these purposes.



## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### 2. Summary of Significant Accounting Policies (continued)

The District reports investment at fair value, with the exception of its investment in STAR Ohio and mutual fund which are based on a per share basis. All investments of the cash management pool and those with an original maturity of three months or less when purchased are considered to be cash equivalents.

Under existing Ohio statutes, all investment earnings accrue to the general, food service fund and auxiliary service fund. Interest earnings allocated to the food service and auxiliary service funds are based on average monthly cash balances. Investment income credited to the general fund during the fiscal year amounted to \$1,472,757, including \$348,115 allocated from other funds.

#### e. **Interfund Balances and Transfers**

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 statement of net position. Routine permanent transfers of resources from one fund to another is reported as transfers-out and transfers-in within the other financing sources (uses) section of the governmental statement of revenues, expenditures and changes in fund balances.

#### f. **Capital Assets and Depreciation**

General capital assets are reported in 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. Donated capital assets are recorded at acquisition values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000 and a useful life of less than 1 year. The District does not possess any infrastructure.

All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method with a salvage value of 10 percent over the following useful lives:

<u>Description</u>	<u>Useful Life (Yrs)</u>
Land Improvements	20
Buildings & Improvements	25 - 100
Machinery & Equipment	5 - 20
Vehicles	10

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **2. Summary of Significant Accounting Policies (continued)**

#### **g. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws. The liability is based upon pay rates in effect at the balance sheet date for all employees with 20 or more years of service with the District.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as 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 fund from which the employee will be paid.

#### **h. 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 from current financial resources, are reported as obligations of the funds. However, compensated absences and claims and judgments 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. Net pension and OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension and OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

#### **i. Pensions/Other Postemployment Benefits (OPEB)**

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

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### 2. Summary of Significant Accounting Policies (continued)

#### j. **Fund Balance**

The District reports classifications of fund balance based on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The following categories are used:

Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally required to be maintained intact.

Restricted – amounts that have constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the District's highest level of decision-making authority, the Board of Education.

Assigned – amounts that are constrained by the District's intent to be used for specific purpose, but are neither restricted nor committed. Assigned amounts include those approved through the District's formal purchasing procedure by the Treasurer. Through the District's purchasing policy, the Board of Education has given the Treasurer the authority to constrain monies for intended purposes.

Unassigned – residual fund balance within the general fund that is in spendable form that is not restricted, committed or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

The District applies restricted resources first when an expenditure is incurred for purposes for which restricted and unrestricted fund balance is available. The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **2. Summary of Significant Accounting Policies (continued)**

#### **k. Net Position**

Net position represents the difference between assets and deferred outflows of resources compared with liabilities and deferred inflows of resources. Net investment in capital assets represents capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws, regulations or other governments.

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

#### **l. Interfund Activity**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements to avoid “doubling up” revenues and expenses. Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are also eliminated. Payments for interfund services provided and used are not eliminated.

#### **m. Unamortized Bond Premium and Discount/Accounting Gain or Loss**

On government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities statement of net position. Bond premiums and discounts, as well as deferred gain or loss on refunding, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Unamortized deferred gain or loss on refunding are reported as a component of deferred inflows of resources or deferred outflows of resources, respectively. Bond issuance costs are reported as current period expense when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### 2. Summary of Significant Accounting Policies (continued)

#### n. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

### 3. Accountability – Deficit Fund Balances

Individual fund deficits reported at June 30, 2023 include the following:

<u>Governmental Activities:</u>	<u>Amount</u>
<i>Major Fund:</i>	
Elementary & Secondary School Relief Grant	\$ 754,133
<i>Non-Major Governmental Funds:</i>	
IDEA, Part B Federal Grant	271,522
Supplemental School Improvement Federal Grant	558
Title III Federal Grant	619
Title I Federal Grant	149,693
Title IV-A Federal Grant	4,410
IDEA, Preschool Federal Grant	7,965
Miscellaneous Federal and State Grants	62,040

These deficit balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide transfers when cash is required, not when accruals occur.

### 4. Budgetary Basis of Accounting

While the District is reporting financial position, results of operations and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Basis) and Actual presented for the general fund and major special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

- Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- In order to determine compliance with Ohio law, and reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

#### 4. Budgetary Basis of Accounting (Continued)

as the equivalent of an expenditure, as opposed to an assignment of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and,

- Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund and E&SSER fund are as follows:

Net Change in Fund Balance		
	General Fund	ESSER Fund
Budget Basis	\$ (41,626)	\$ (35,546)
Adjustments:		
Revenue Accruals	(1,293,217)	-
Expenditure Accruals	73,077	(498,846)
Encumbrances	1,128,365	763,614
Other Financing Sources(Uses)	996,500	(802,000)
Perspective Budgeting Difference **	55,934	-
GAAP Basis	\$ 919,033	\$ (572,778)

\*\* As part of GASB Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supply fund, public school rotary fund, public school support fund, underground storage tank fund, and summer school fund. These funds, with the exception of the summer school fund, have legally adopted budgets and have a schedule of revenues, expenditures and changes in fund balance – budget (Non-GAAP basis) and actual presented.

#### 5. Deposits and Investments

State statutes require the classification of monies held by the District into three categories.

**Active Monies** - Those monies required to be kept in a "cash" or "near-cash" status for immediate use by the district. Such monies must be maintained either as cash in the District Treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

**Inactive Monies** - Those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### 5. Deposits and Investments (continued)

Interim Monies - 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. Ohio law permits interim monies to be invested in legal securities (see Note 2d), including any of the following:

United States Treasury Notes, Bills, Bonds or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

Bonds, notes, debentures, or any other obligations or securities 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, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;

Bonds and other obligations of the State of Ohio;

No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

The State Treasurer's investment pool (STAR Ohio);

Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from purchase date in an amount not to exceed 40% of the interim monies available for investment at any one time, and under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are prohibited. The issuance of table 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 of or debt of the 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.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 5. Deposits and Investments (continued)

#### *Deposits*

At June 30, 2023, the carrying amount of all District deposits was \$7,307,612, including cash on hand. Based on the criteria described in GASB Statement 40, *Deposits and Investment Risk Disclosures*, \$250,000 of the District's bank balance of \$8,124,372 was covered by Federal Deposit Insurance Corporation and \$3,969,296 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name., and \$3,905,076 was uninsured and uncollateralized. The District's financial institution was approved for a reduced collateral rate of 50% through the Ohio Pooled Collateral System, resulting in uninsured and uncollateralized balance.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. The District's policy for deposits is that any balance not covered by depository insurance will be collateralized by the financial institution with pledged securities. Ohio law requires that deposits either be insured or be protected by:

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

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

#### *Investments*

As of June 30, 2023, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Measurement</u>	<u>Maturity (in years)</u>		
	<u>Value</u>	<u>less than 1</u>	<u>1 to 3</u>	<u>4 to 5</u>
<b>U.S. Agencies</b>	\$ 25,333,219	\$ 9,792,987	\$ 13,635,425	\$ 1,904,807
<b>U.S. Treasury Note</b>	4,069,831	2,849,407	1,220,424	-
<b>Negotiable CDs</b>	1,674,804	974,887	699,917	-
<b>Commercial Paper</b>	16,627,506	16,627,506	-	-
<b>Money Market Funds</b>	3,931,861	3,931,861	-	-
<b>STAROhio</b>	<u>18,622,646</u>	<u>18,622,646</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 70,259,867</u>	<u>\$ 52,799,294</u>	<u>\$ 15,555,766</u>	<u>\$ 1,904,807</u>

#### *Interest Rate Risk*

As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.



## Huber Heights City School District, Ohio

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

### 5. Deposits and Investments (continued)

#### *Credit Risk*

The District's investment in securities of Federal agencies were rated Aaa by Moody's and AA+ by Standard & Poor's; commercial paper held was rated P-1 by Moody's; and the mutual fund and STAR Ohio were rated AAAM by Standard & Poor's. Negotiable Certificates of Deposits (CDs) were fully insured by FDIC. The District has no policy limiting investments based on credit risk other than those established by ORC.

#### *Custodial Credit Risk*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's investment policy does not specifically address custodial credit risk beyond the adherence to those investments permitted by the ORC. Requirements in State statute prohibit payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

#### *Concentration of Credit Risk*

The District places a limit on the percentage of the portfolio that may be held in the form of commercial paper, other than this stipulation, the District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2023:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>% of Portfolio</u>
U.S. Agencies	\$ 25,333,219	36.06%
U.S. Treasury Note	4,069,831	5.79%
Negotiable CDs	1,674,804	2.38%
Commercial Paper	16,627,506	23.67%
Money Market Funds	3,931,861	5.60%
STAROhio	<u>18,622,646</u>	26.50%
Total	<u>\$ 70,259,867</u>	

#### *Fair Value Measurement*

The District's investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 – Investments reflect prices quoted in active markets.
- Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 – Investments reflect prices based upon unobservable sources.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 5. Deposits and Investments (continued)

The categorization of investments within the hierarchy is based upon the transparency of the instrument and should not be perceived as the particular investment's risk. The District had the following reoccurring fair value measurements as of June 30, 2023:

<u>Investment Type</u>	<u>Total</u>	<u>Identical Assets (Level 1)</u>	<u>Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
U.S. Agencies	\$ 25,333,219	\$ -	\$ 25,333,219	\$ -
U.S. Treasury Note	4,069,831	-	4,069,831	-
Negotiable CDs	1,674,804	-	1,674,804	-
Commerical Paper	<u>16,627,506</u>	<u>-</u>	<u>16,627,506</u>	<u>-</u>
Total	<u>\$ 47,705,360</u>	<u>\$ -</u>	<u>\$ 47,705,360</u>	<u>\$ -</u>

Investments classified in Level 2 of the fair value hierarchy are valued using matrix pricing sources and valuation techniques as provided by the investment managers.

### 6. Property Taxes

Property taxes are levied and assessed on a calendar year basis. Distributions from the second half occur in a new fiscal year and are intended to finance the operations of that year. Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. All property taxes are collected on behalf of the District by the auditors of Miami and Montgomery Counties. Montgomery County collects approximately 98% and Miami County collects approximately 2% of the District's taxes. Taxpayers remit payment to their respective county, Montgomery or Miami, which then distributes funds to the District on settlement dates that vary each year.

Real property taxes and public utility taxes are levied in April on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. Settlement dates for real property taxes generally occur during the months of February and August but on occasion run into the following month. Amounts certified by the County Auditor prior to June 30 are available to the District as an advance and should therefore be recognized as revenue in the current fiscal year. The District's policy is not to take an advance on these taxes, as they are budgeted for the next fiscal year.

Public utility property taxes are assessed on tangible personal property at 25% of true value (with certain exceptions) and on real property at 35% of true value. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 6. Property Taxes (continued)

The assessed values upon which fiscal year 2023 taxes receipts were based on are as follows:

	<b>2023 First Half Collections</b>	<b>2022 Second Half Collections</b>
Real Estate		
Residential /Agricultural	\$ 701,873,330	\$ 683,655,490
Commerical / Industrial	139,309,860	146,949,360
Public Utility Property	18,252,730	19,246,880
Total	\$ 859,435,920	\$ 849,851,730

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2023, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflow of resources for that portion not intended to finance current year operations. On the accrual basis, total delinquent property tax amounts existing at year end have been recorded as revenue.

### 7. Receivables

Receivables at June 30, 2023 consisted of taxes, accounts (tuition and student fees), 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. A summary of the District's intergovernmental receivables follows:

<b>Governmental Activities:</b>	<b>Amount</b>
<i>Major Fund:</i>	
General Fund - reimbursement	\$ 107,826
Elementary & Secondary School Relief Grant	237,638
<i>Non-Major Governmental Funds:</i>	
Food Service Reimbursements	263,401
IDEA, Part B Federal Grant	79,942
Title I Federal Grant	56,229
Title II-A Federal Grant	6,151
Miscellaneous Federal and State Grants	12,176
Total	\$ 763,363

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 8. Capital Assets

A summary of capital asset activity during the fiscal year follows:

	<u>Balance at 6/30/2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at 6/30/2023</u>
<b><u>Capital Assets, not being depreciated:</u></b>				
Land	\$ 915,794	\$ -	\$ -	\$ 915,794
Construction in Progress	495,450	9,579,914	-	10,075,364
	<u>1,411,244</u>	<u>9,579,914</u>	<u>-</u>	<u>10,991,158</u>
<b><u>Capital Assets, being depreciated:</u></b>				
Land Improvements	1,942,863	19,550	-	1,962,413
Buildings and Improvements	161,300,094	828,254	-	162,128,348
Machinery and Equipment	1,455,602	100,939	-	1,556,541
Vehicles	4,363,916	447,898	-	4,811,814
	<u>169,062,475</u>	<u>1,396,641</u>	<u>-</u>	<u>170,459,116</u>
<b><u>Less: Accumulated Depreciation:</u></b>				
Land Improvements	1,099,545	90,284	-	1,189,829
Buildings and Improvements	18,506,290	1,493,992	-	20,000,282
Machinery and Equipment	981,664	122,168	-	1,103,832
Vehicles	3,060,240	207,252	-	3,267,492
	<u>23,647,739</u>	<u>1,913,696</u> *	<u>-</u>	<u>25,561,435</u>
<b>Capital Assets, being depreciated, net</b>	<u>145,414,736</u>	<u>(517,055)</u>	<u>-</u>	<u>144,897,681</u>
<b>Total Capital Assets, net</b>	<u>\$146,825,980</u>	<u>\$ 9,062,859</u>	<u>\$ -</u>	<u>\$155,888,839</u>

\* - Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 1,588,414
Support Services:	
Administration	931
Operation and Maintenance of Plant	101,296
Pupil Transportation	191,163
Central	3,440
Non-Instructional Services	25,550
Extracurricular Activities	2,902
	<u>2,902</u>
Total Depreciation Expense	<u>\$ 1,913,696</u>

### 9. Interfund Transactions

During the fiscal year ended June 30, 2023, the General Fund transferred \$65,000 to the District Managed Student Activities Fund, a nonmajor special revenue governmental fund, to provide various student activities with necessary cash to operate the remainder of the fiscal year.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 9. Interfund Transactions (continued)

Interfund balances on the fund statements at June 30, 2023 consist of the following receivables and payables:

Fund	Receivable	Payable
General Fund	\$ 1,308,000	
COVID Elementary & Secondary School Relief Fund		\$ 1,012,000
Other Governmental Funds:		
Non-Major Special Revenue Funds:		
Other State Grants Fund		8,000
IDEA, Part B Grant Fund		90,000
Title III - Limited English Proficiency Grant Fund		500
Title I Grant Fund		85,000
Title IV- A Grant Fund		15,000
IDEA Preschool Grant Fund		27,500
Supporting Effective Instruction State Grants Fund		70,000
	\$ 1,308,000	\$ 1,308,000

The interfund receivables and payables resulted from the general fund advancing monies to individual grant funds to cover deficits until grant funding was received in the subsequent fiscal year.

### 10. Risk Management

The District is exposed to various risks of loss related to torts, theft or, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District contracts with the Southwestern Ohio Educational Purchasing Council for insurance. This policy has a limit in the amount of \$250 million for property. The base policy for vehicle liability insurance is \$4.0 million per occurrence. The Treasurer is separately bonded.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

The District is a member of the Southwestern Ohio Educational Purchasing Council (SOEPC). The SOEPC contracts with Comp Management to provide an insurance purchasing pool for workers compensation. The intent of the pool is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the pool. The workers compensation experience of the participation school districts is calculated as one experience and a common premium rate is applied to all school districts in the pool. Each participant pays this rate. Total savings is then calculated and each participant's individual

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 10. Risk Management (continued)

performance is compared to the overall savings percentage of the pool. A participant will then either receive money from or be required to contribute to the pool. This equity pooling arrangement ensures that each participant shares equally in the overall performance of the pool. Participation in the pool is limited to school districts that can meet the pool's selection criteria. Comp Management provides administrative cost control and actuarial services to the SOEPC.

The District has elected to provide employee medical benefits through United Health Care as part of an insurance purchasing pool through the SOEPC. The employees share the cost of the monthly premium with the District for single and family plans, with the District contributing 85% of the health and dental insurance for the largest class of employees and 100% of the life and vision coverage. Life insurance is provided through Sun Life Insurance.

### 11. Long-Term Obligations

The activity of the District's long-term obligations during fiscal year 2023 was as follows:

	Balance 7/1/2022	Increase	Decrease	Balance 6/30/2023	Amount Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Bonds:					
2015 Refunding 4.0%	\$ 8,565,000	\$ -	\$ -	\$ 8,565,000	\$ 2,635,000
2016 Refunding 3.0-5.0%	51,170,000	-	(2,510,000)	48,660,000	-
Unamortized Premium	<u>5,433,197</u>	<u>-</u>	<u>(481,991)</u>	<u>4,951,206</u>	<u>-</u>
Total General Obligation Bonds	65,168,197	-	(2,991,991)	62,176,206	2,635,000
Net Pension Liability:					
STRS	35,637,850	26,540,360	-	62,178,210	-
SERS	<u>9,508,764</u>	<u>4,941,009</u>	<u>-</u>	<u>14,449,773</u>	<u>-</u>
Total Net Pension Liability	45,146,614	31,481,369	-	76,627,983	-
Net OPEB Liability:					
SERS	4,875,559	-	(1,065,638)	3,809,921	-
Other Long-Term Obligations:					
Direct Financing - Lease Purchase	5,689,169	-	(620,648)	5,068,521	613,963
Compensated Absences	<u>2,961,526</u>	<u>2,562,449</u>	<u>(499,453)</u>	<u>5,024,522</u>	<u>476,880</u>
Total Governmental Activities	<u>\$123,841,065</u>	<u>\$ 34,043,818</u>	<u>\$ (5,177,730)</u>	<u>\$152,707,153</u>	<u>\$ 3,725,843</u>

A 2010 general obligation bonds was issued in the amounts of \$82 million, and along with other financing of \$1.7 million, which financed the construction of seven new school buildings.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 11. Long-Term Obligations (continued)

A portion of the 2010 general obligation bonds was refunded during fiscal year 2016 with the 2015 Refunding bonds, issued in the amount of \$8,565,000. In addition, another portion of the 2010 general obligations bonds was refunded with the issuance of the 2016 Refunding bonds, issued in the amount of \$57,275,000. The proceeds, plus applicable premiums, were placed into irrevocable trusts to provide resources for all future debt service requirements on the refunded 2010 bonds. As a result of these refundings, the refunded 2010 general obligation bonds are considered defeased (in substance) and accordingly have been removed from the statement of net position.

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds payable:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,635,000	\$ 2,256,600	\$ 4,891,600
2025	2,905,000	2,145,800	5,050,800
2026	3,025,000	2,027,200	5,052,200
2027	3,200,000	1,886,700	5,086,700
2028	3,530,000	1,736,100	5,266,100
2029-2033	20,700,000	6,052,250	26,752,250
2034-2037	<u>21,230,000</u>	<u>1,399,200</u>	<u>22,629,200</u>
Total	<u>\$ 57,225,000</u>	<u>\$ 17,503,850</u>	<u>\$ 74,728,850</u>

#### *Direct Financing – Purchase Agreements*

In the prior year, the District entered a purchase agreement with a financial institution to provide for the construction, enlargement, or other improvement or furnishing of school facilities. Under the terms of the agreement, the District grants a land lease to the institution and the base lease payments made by the District agree to the debt service schedule associated with the agreement at a rate of 1.77% and matures on December 1, 2033. Principal and interest payments will be made from the Building Fund.

Previously, the District entered into two separate direct-purchase agreements; one to provide financing to advance refund the 2010 school improvement certificates of participation and the other to acquire school buses. Both of these agreements transfer the benefits and risk of ownership to the District, both during and at the end of these agreements. The debt service payments associated with these agreements are reported within the Permanent Improvement Fund.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 11. Long-Term Obligations (continued)

The following is a schedule of the future debt service payments required under the lease-purchase agreements as of June 30, 2023.

Fiscal Year	Principal	Interest	Total
2024	\$ 613,963	\$ 87,780	\$ 701,743
2025	572,558	74,614	647,172
2026	402,000	65,154	467,154
2027	409,000	57,976	466,976
2028	416,000	50,675	466,675
2029-2033	2,193,000	139,291	2,332,291
2034	462,000	4,089	466,089
Total	<u>\$ 5,068,521</u>	<u>\$ 479,579</u>	<u>\$ 5,548,100</u>

#### *Compensated Absences, Net Pension Liability, and OPEB Liability*

The District pays obligations related to employee compensation (compensated absences and pension and OPEB contributions) from the fund benefitting from their service which include the general fund, food service fund, auxiliary service fund, other State grants fund, IDEA Part B grant fund, Title III-Limited English Proficiency grant fund, Title I grant fund, IDEA Part B preschool fund and miscellaneous Federal grant fund.

### 12. Defined Benefits Pension Plans

#### a. Net Pension Liability

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

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



## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 12. Defined Benefits Pension Plans (continued)

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

GASB Statement No. 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

#### **b. Plan Description - School Employees Retirement System (SERS)**

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

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **12. Defined Benefits Pension Plans (continued)**

*Funding Policy* – Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, and Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the 14% was allocated to only three of the funds (Pension Trust Fund, Death Benefit Fund and Medicare B Fund).

The District's contractually required contribution to SERS was \$1,500,360 for fiscal year 2023. Of this amount, \$322,992 is reported as an intergovernmental payable.

#### **c. Plan Description - State Teachers Retirement System (STRS)**

District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://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 (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. For members who were eligible to retire on July 1, 2015, the annual benefit is the greater of the benefit amount calculated upon retirement under the new benefit formula or the frozen benefit amount as of July 1, 2015. Effective August 1, 2021 to July 1, 2023, any member can retire with unreduced benefits with 34 years of service credit at any age or 5 years of service credit and age 65. Retirement eligibility for reduced benefits is 30 years of service credit at any age; or 29 years of service credit and age 55; or 5 years of service credit and age 60. Effective on or after August 1, 2023, any member can retire with unreduced benefits with 35 years of service credit at any age or 5 years of service credit at age 65. Retirement eligibility for reduced benefits is 30 years of service credit at any age or 5 years of service credit and age 60.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **12. Defined Benefit Pension Plans (continued)**

The DC Plan allows members to place all their member contributions and 9.53% of the 14% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liabilities. Effective July 1, 2022, 2.91% of salaries are used to pay for unfunded liabilities. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The CO Plan offers features of both the DB Plan and the DC Plan. In the CO Plan, 12% of the 14% member rate is deposited into the member's DC account and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the CO Plan payment is payable to a member on or after age 60 with 5 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 50 and after termination of employment.

New members who choose the DC Plan or CO Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS Ohio plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's CO Plan account to a lifetime benefit results in STRS Ohio bearing the risk of investment gain or loss on the account. STRS Ohio therefore has included all three plan options as one defined benefit plan for GASB Statement No. 68 reporting purposes.

A DB or CO Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members on or after July 1, 2013 must have at least 10 years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance.

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

*Funding Policy* – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2023, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2023 contribution rates were equal to the statutory maximum rates. The District's contractually required contribution to STRS was approximately \$5,255,995 for fiscal year 2023. Of this amount, \$960,730 is reported as an intergovernmental payable.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 12. Defined Benefit Pension Plans (continued)

#### d. Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources for Pensions

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected 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>
Proportionate share of the net pension liability	\$ 14,449,773	\$ 62,178,210	\$ 76,627,983
Proportion of the net pension liability	0.267154%	0.279702%	
Change in proportionate share	0.009444%	0.000974%	
Pension expense	\$ 916,429	\$ 8,102,805	\$ 9,019,234

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 585,228	\$ 795,960	\$ 1,381,188
Net difference between projected and actual earnings on pension plan investments	-	2,163,666	2,163,666
Change in assumptions	142,579	7,440,864	7,583,443
Change in District's proportionate share and difference in employer contributions	356,065	2,151,881	2,507,946
District contributions subsequent to the measurement date	<u>1,500,360</u>	<u>5,255,995</u>	<u>6,756,355</u>
Total	<u>\$ 2,584,232</u>	<u>\$ 17,808,366</u>	<u>\$ 20,392,598</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 94,859	\$ 237,851	\$ 332,710
Net difference between projected and actual earnings on pension plan investments	504,231	-	504,231
Change in assumptions	<u>-</u>	<u>5,600,832</u>	<u>5,600,832</u>
Total	<u>\$ 599,090</u>	<u>\$ 5,838,683</u>	<u>\$ 6,437,773</u>

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 12. Defined Benefit Pension Plans (continued)

\$6,756,355 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	\$ 242,858	\$ 1,124,939	\$ 1,367,797
2025	124,279	516,627	640,906
2026	(720,305)	(1,233,758)	(1,954,063)
2027	837,950	6,305,880	7,143,830
	\$ 484,782	\$ 6,713,688	\$ 7,198,470

#### ***e. Actuarial Assumptions – SERS***

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

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

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will consider the employee's entire career with the employer and 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.

## Huber Heights City School District, Ohio

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

#### 12. Defined Benefit Pension Plans (continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

Inflation:	
Current measurement period	2.40 percent
Prior measurement period	2.40 percent
Future salary increases, including inflation	
Current measurement period	3.25 percent to 13.58 percent
Prior measurement period	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	
Current measurement period	2.00 percent, on and after 4/1/2018, COLA's for future retirees will be delayed for 3 years following retirement.
Prior measurement period	2.00 percent, on and after 4/1/2018, COLA's for future retirees will be delayed for 3 years following retirement.
Investment rate of return	
Current measurement period	7.00 percent net of investment expense, including inflation
Prior measurement period	7.00 percent net of investment expense, including inflation
Actuarial cost method	Entry Age Normal

Mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Health Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Mortality among contingent survivors were based upon the PUB-2010 General Amount Weighed Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. The PUB-2010 General Amount Weighted Below Median Employee mortality table was used for active members. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2015 to June 30, 2020 adopted by the Board on April 15, 2021.

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

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 12. Defined Benefit Pension Plans (continued)

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

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

*Discount Rate* – Total pension liability was calculated using the discount rate of 7.0%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.0%). Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* – Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.0%, 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 (6.0%), or one percentage point higher (8.0%) than the current rate.

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ 21,269,378	\$ 14,449,773	\$ 8,704,351

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 12. Defined Benefit Pension Plans (continued)

#### f. **Actuarial Assumptions - STRS**

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

Inflation	2.50%
Salary increases:	
Current measurement period	Varies by service from 2.5% to 8.5%
Prior measurement period	12.50% at age 20 to 2.50% at age 65
Payroll increases	
Current measurement period	3.00%
Prior measurement period	3.00%
Investment rate of return, including inflation:	
Current measurement period	7.00%, net of investment expenses
Prior measurement period	7.00%, net of investment expenses
Discount rate of return	
Current measurement period	7.00%
Prior measurement period	7.00%
Cost-of-living adjustments (COLA)	0.00%

Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

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

The actuarial assumptions used in the June 30, 2022 valuation are based on the results of the latest available actual experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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:



## Huber Heights City School District, Ohio

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

#### 12. Defined Benefit Pension Plans (continued)

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

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

\*\* 10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and 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 7.0% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.0% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.0%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.0%) or one-percentage-point higher (8.0%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ 93,928,639	\$ 62,178,210	\$ 35,327,176

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **13. Postemployment Benefit Plans Other than Pension (OPEB)**

#### ***a. Net OPEB Liability (Asset)***

The net OPEB liability (asset) reported on the statement of net position represents a liability to (or assets for) employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB liability or fully-funded benefits as a long-term net OPEB asset on the accrual basis of accounting. Any liability for contractually-required OPEB contributions outstanding at the end of the fiscal year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)**

#### ***b. Plan Description - School Employees Retirement System (SERS)***

SERS' Health Care program provides health care 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. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. 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.

*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% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, there was no portion allocated 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 2023, the minimum compensation amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the District's surcharge obligation was \$144,155.

#### ***c. Plan Description - State Teachers Retirement System (STRS)***

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 Board to offer this plan.

Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and partial reimbursement of the monthly Medicare Part B premiums. Pursuant to the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

*Funding Policy*—Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to post-employment health care.

#### d. ***OPEB Asset and Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportionate share of the net OPEB asset	\$ -	\$ 7,242,430	\$ 7,242,430
Proportionate share of the net OPEB liability	3,809,921	-	3,809,921
Proportion of the net OPEB asset/liability	0.271360%	0.279702%	
Change in proportionate share	0.013746%	0.000974%	
OPEB (negative) expense	\$ (138,834)	\$ (1,211,627)	\$ (1,350,461)

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 32,028	\$ 104,989	\$ 137,017
Net difference between projected and actual earnings on OPEB plan investments	19,802	126,073	145,875
Change in assumptions	606,016	308,502	914,518
Difference between employer contributions and proportionate share of contributions	470,543	148,923	619,466
District contributions subsequent to the measurement date	144,155	-	144,155
Total	\$ 1,272,544	\$ 688,487	\$ 1,961,031

(continued)

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 2,437,105	\$ 1,087,673	\$ 3,524,778
Change in assumptions	1,564,001	5,135,576	6,699,577
Difference between employer contributions and proportionate share of contributions	<u>47,578</u>	<u>763</u>	<u>48,341</u>
Total	<u>\$ 4,048,684</u>	<u>\$ 6,224,012</u>	<u>\$ 10,272,696</u>

\$144,155 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2024	\$ (644,833)	\$ (1,567,604)	\$ (2,212,437)
2025	(660,100)	(1,597,871)	(2,257,971)
2026	(610,949)	(768,762)	(1,379,711)
2027	(393,109)	(321,256)	(714,365)
2028	(246,142)	(422,566)	(668,708)
2029-2031	<u>(365,162)</u>	<u>(857,466)</u>	<u>(1,222,628)</u>
	<u>\$ (2,920,295)</u>	<u>\$ (5,535,525)</u>	<u>\$ (8,455,820)</u>

#### **e. 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.

## Huber Heights City School District, Ohio

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will consider the employee's entire career with the employer and 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, prepared as of June 30, 2022, are presented below:

Investment rate of return:	
Current measurement date	7.00% of net investment expense, including inflation
Prior measurement date	7.00% of net investment expense, including inflation
Wage inflation:	
Current measurement date	2.40%
Prior measurement date	2.40%
Future salary increases, including inflation	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%
Municipal bond index rate:	
Current measurement date	3.69%
Prior measurement date	1.92%
Single equivalent interest rate, net of plan investment expense:	
Current measurement date	4.08%, including price inflation
Prior measurement date	2.27%, including price inflation
Medical Trend Assumption:	
Current measurement date	7.00% - 4.40%
Prior measurement date	6.75% - 4.40%

Mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Health Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Mortality among contingent survivors were based upon the PUB-2010 General Amount Weighed Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. The PUB-2010 General Amount Weighted Below Median Employee mortality table was used for active members. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

The actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2015 to June 30, 2020 adopted by the Board on April 15, 2021.

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

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

*Discount Rate* – The discount rate used to measure the total OPEB liability at June 30, 2022 was 4.08%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and SERS at the state statute contribution rate of 1.5% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and no contributions from 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, 2044. 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, 2043 and the Municipal Bond Index rate of 3.69% as of June 30, 2022 (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.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

*Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and 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 calculated using the discount rate of 4.08%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.08%) and one percentage point higher (5.08%) than the current rate.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
District's proportionate share of the net OPEB liability	\$ 4,731,980	\$ 3,809,921	\$ 3,065,570

The following table presents the net OPEB liability calculated using current health care cost trend rates, as well as what the District's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (6.00% decreasing to 3.40%) and one percentage point higher (8.00% decreasing to 5.40%) than the current rates.

	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 5.40%)
District's proportionate share of the net OPEB liability	\$ 2,938,133	\$ 3,809,921	\$ 4,948,619

#### **f. Actuarial Assumptions - STRS**

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

Salary increases	
Current measurement date	Varies by service from 2.5% to 8.5%
Prior measurement date	12.50% at age 20 to 2.50% at age 65
Payroll increases:	
Current measurement date	3.00%
Prior measurement date	3.00%
Investment rate of return:	
Current measurement date	7.00%, net of investment expenses, including inflation
Prior measurement date	7.00%, net of investment expenses, including inflation
Discount rate of return:	
Current measurement date	7.00%
Prior measurement date	7.00%



## Huber Heights City School District, Ohio

### Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2023

#### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

Health care cost trends:	Current Measurement		Prior Measurement	
	Initial	Ultimate	Initial	Ultimate
Medical:				
Pre-Medicare	7.50%	3.94%	5.00%	4.00%
Medicare	-68.78%	3.94%	-16.18%	4.00%
Prescription Drug				
Pre-Medicare	9.00%	3.94%	6.50%	4.00%
Medicare	-5.47%	3.94%	29.98%	4.00%

Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based. Additionally, healthcare trends were updated to reflect emerging claims and recoveries experience.

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

The actuarial assumptions used in the June 30, 2022 valuation are based on the results of the latest available actual experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

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

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

\*\* 10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and 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.

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

### 13. Postemployment Benefit Plans Other than Pension (OPEB) (Continued)

*Discount Rate* – The discount rate used to measure the total OPEB liability was 7.0% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS Ohio 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 of current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on OPEB plan assets of 7.0% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

*Sensitivity of the District's Proportionate Share of the Net OPEB (Asset) to Changes in the Discount Rate and the Health Care Cost Trend Rates* – The following table presents the District's proportionate share of the net OPEB (asset) calculated using the current period discount rate assumption of 7.0%, as well as what the District's proportionate share of the net OPEB (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.0%) and one percentage point higher (8.0%) than the current rate. Also shown is the net OPEB (asset) as if it were calculated using health care cost trend rates that are one percentage point lower and one percentage point higher than the current health care cost trend rates:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net OPEB asset	\$ 6,695,434	\$ 7,242,430	\$ 7,710,975
	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
District's proportionate share of the net OPEB asset	\$ 7,512,159	\$ 7,242,430	\$ 6,901,958

### 14. Statutory Reserve

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

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

## Huber Heights City School District, Ohio

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

**14. Statutory Reserve** (Continued)

	<b>Capital Acquisition</b>
Set-aside cash balance as of June 30, 2022	\$ -
Current year set-aside requirements	1,245,144
Current year offset - PI Levy	(1,144,313)
Qualifying Expenditures	(100,831)
Total	\$ -
Set-aside cash balance as of June 30, 2023	\$ -

Although the District had current year offsets and qualifying expenditures which exceeded the current year set-aside requirement, the excess amount may not be used to reduce the set-aside requirements of future fiscal years. Therefore, only the amount of qualifying expenditures needed to meet the requirement are shown in the table above.

**15. Commitments - Encumbrances**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<b><u>Fund Type</u></b>	<b><u>Year-End Encumbrances</u></b>
General fund	\$ 1,141,358
E&SSER Grant fund	763,614
Other governmental funds	1,705,818
Total	\$ 3,610,790

**16. Contingencies**

**a. Grants**

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires 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 should become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2023, if applicable, cannot be determined at this time.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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**16. Contingencies (Continued)**

**b. Full-Time Equivalency Review**

The District's State funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment is updated by schools throughout the State, which can extend past the end of the fiscal year. The results of these FTE reviews for fiscal year 2023, resulted in no significant modifications to the District's Foundation funding.

**c. Litigation**

It is the opinion of management that any potential claims against the District, which would not be covered by insurance, would not materially affect the financial statements based on the information currently available.

**17. Jointly Governed Organizations**

**a. Southwestern Ohio Educational Purchasing Council (SOEPC)**

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of 126 public school districts in 18 counties in southwestern Ohio. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC. Each member district has one voting representative. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One-year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. During fiscal year 2023, the District paid \$10,720,672 to SOEPC, which includes benefit premiums. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

**b. Metropolitan Educational Technical Association (META)**

The District participates in the Metropolitan Educational Technical Association (META), which is a computer consortium. META is an educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology and student services, a purchasing cooperative, and other individual services based on each client's needs.

## Huber Heights City School District, Ohio

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*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

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### **17. Jointly Governed Organizations (Continued)**

The governing board of MVECA consists of a president, vice president and six board members who represent the members of META. The Board works with META's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organizations mission, vision and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. The District paid META \$242,360 for services during fiscal year 2023. Financial information can be obtained from Ashley Widby, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

#### **c. Miami Valley Career Technology Center**

The Miami Valley Career Technology Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of seventeen members elected from twenty-seven participating school districts. The Board possesses its own budgeting and taxing authority. To obtain financial information, write to the Greene County Career Center, 2960 West Enon Road, Xenia, Ohio 45385-9545.

#### **d. Southwestern Ohio Instructional Technology Association**

The Southwestern Ohio Instructional Technology Association (SOITA) is a non-profit corporation organized to serve the educational needs of the area through television programming for the advancement of educational programs. The Board of Trustees is comprised of twenty-one representatives of SOITA member schools or institutions. Nineteen representatives are elected from within the counties by the qualified members within the counties, i.e. Auglaize, Butler, Champaign, Clark, Clinton, Darke, Fayette, Greene, Hamilton, Logan, Mercer, Miami, Montgomery, Preble, Shelby, and Warren. Montgomery, Greene and Butler Counties elect two representatives per area. All others elect one representative per area. One at-large non-public representative is elected by the non-public school SOITA members from the State assigned SOITA service area. One at-large higher education representative is elected by higher education SOITA members from within the State assigned SOITA area.

All member districts are obligated to pay all fees, charges or other assessments as established by SOITA. Upon dissolution, the remaining net position shall be distributed to the federal government, or to a state or local government, for a public purpose. The District did not have any payments during fiscal year 2023 to SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Gary Greenberg, who serves as the Executive Director, at 1205 East Fifth Street, Dayton, Ohio 45402.

## Huber Heights City School District, Ohio

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

### 18. Compliance

During fiscal year 2023, the following funds had total expenditures which exceeded appropriations, which is contrary to Ohio Revised Code §5705.41(B):

<u>Fund</u>	<u>Final</u> <u>Appropriations</u>	<u>Actual</u> <u>Expenditures</u>	<u>Variance</u>
Educational Foundation Fund	\$ -	\$ 1,887	\$ (1,887)
District Managed Student Activities Fund	483,828	484,549	(721)
Miscellaneous Federal Grants Fund	298,915	358,523	(59,608)
Building Fund	4,000,000	4,704,778	(704,778)

### 19. Change in Accounting Principles

For the fiscal year ended June 30, 2023, the District implemented GASB Statement No. 91, *Conduit Debt Obligations*, GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*.

GASB Statement No. 91 clarifies the definition of conduit debt and provides a single method of reporting these obligations (disclosure only). This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures.

GASB Statement No. 94 addresses the gap in current accounting guidance related to public-private and public-public partnerships (both referred to as PPPs) that do not meet the definition of a service concession arrangement.

GASB Statement No. 96 addresses accounting and financial reporting for subscription-based information technology arrangements (SBITAs), a type of information technology (IT) arrangement (i.e. software licensing). This Statement also defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability, provides capitalization criteria, and requires footnote disclosure. The standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

GASB Statement No. 99 addresses a variety of topics to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.

The District determined that any contracts covered by GASB Statement No. 96 were insignificant and therefore were not incorporated into these financial statements. The implementation of GASB Statements No. 91, 94 and 99 did not have an effect on the District's financial statements.

## REQUIRED SUPPLEMENTARY INFORMATION

## Huber Heights City District, Ohio

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

Measurement Date Fiscal Year (1)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.237112%	\$ 12,000,406	\$ 6,929,298	173.18%	71.70%
2016	0.225554%	12,870,324	6,791,495	189.51%	69.16%
2017	0.234142%	17,136,997	6,465,521	265.05%	62.98%
2018	0.237507%	14,190,495	7,701,121	184.27%	69.50%
2019	0.245201%	14,043,118	8,228,437	170.67%	71.36%
2020	0.257901%	15,430,645	8,847,452	174.41%	70.85%
2021	0.257370%	17,022,998	9,022,829	188.67%	68.55%
2022	0.257710%	9,508,764	8,895,693	106.89%	82.86%
2023	0.267154%	14,449,773	9,979,721	144.79%	75.82%

(1) Amounts presented for each year were determined as of the District's measurement date, which is the prior fiscal year-end.

(2) The District elected not to present information prior to 2014. The District will continue to present information for years available until a full ten-year trend is compiled.

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 960,398	\$ (960,398)	\$ -	\$ 6,929,298	13.86%
2015	895,119	(895,119)	-	6,791,495	13.18%
2016	905,173	(905,173)	-	6,465,521	14.00%
2017	1,078,157	(1,078,157)	-	7,701,121	14.00%
2018	1,110,839	(1,110,839)	-	8,228,437	13.50%
2019	1,194,406	(1,194,406)	-	8,847,452	13.50%
2020	1,263,196	(1,263,196)	-	9,022,829	14.00%
2021	1,245,397	(1,245,397)	-	8,895,693	14.00%
2022	1,397,161	(1,397,161)	-	9,979,721	14.00%
2023	1,500,360	(1,500,360)	-	10,716,857	14.00%

See Notes to Required Supplementary Information.



## Huber Heights City District, Ohio

Required Supplementary Information  
Schedules of District's Proportionate Share of the Net Pension Liability  
and District Pension Contributions  
State Teachers Retirement System of Ohio

Measurement Date Fiscal Year (1)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.250401%	\$ 60,906,219	\$ 27,062,346	225.06%	74.70%
2016	0.242724%	67,081,811	23,562,886	284.69%	72.09%
2017	0.243817%	81,612,745	25,838,086	315.86%	66.78%
2018	0.251087%	59,646,360	28,541,871	208.98%	75.30%
2019	0.256584%	56,417,103	29,464,893	191.47%	77.30%
2020	0.262924%	58,144,082	30,868,307	188.36%	77.40%
2021	0.269159%	65,126,884	32,483,279	200.49%	75.50%
2022	0.278728%	35,637,850	34,393,179	103.62%	87.80%
2023	0.279702%	62,178,210	36,362,650	170.99%	78.90%

(1) Amounts presented for each year were determined as of the District's measurement date, which is the prior fiscal year-end.

(2) The District elected not to present information prior to 2014. The District will continue to present information for years available until a full ten-year trend is compiled.

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 3,518,105	\$ (3,518,105)	\$ -	\$ 27,062,346	13.00%
2015	3,298,804	(3,298,804)	-	23,562,886	14.00%
2016	3,617,332	(3,617,332)	-	25,838,086	14.00%
2017	3,995,862	(3,995,862)	-	28,541,871	14.00%
2018	4,125,085	(4,125,085)	-	29,464,893	14.00%
2019	4,321,563	(4,321,563)	-	30,868,307	14.00%
2020	4,547,659	(4,547,659)	-	32,483,279	14.00%
2021	4,815,045	(4,815,045)	-	34,393,179	14.00%
2022	5,090,771	(5,090,771)	-	36,362,650	14.00%
2023	5,255,995	(5,255,995)	-	37,542,821	14.00%

See Notes to Required Supplementary Information.

## Huber Heights City District, Ohio

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

Measurement Date Fiscal Year (1)(2)	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.237346%	\$ 6,765,237	\$ 6,465,521	104.64%	11.49%
2018	0.240921%	6,465,681	7,701,121	83.96%	12.46%
2019	0.248369%	6,890,441	8,228,437	83.74%	13.57%
2020	0.259118%	6,516,281	8,847,452	73.65%	15.57%
2021	0.256458%	5,573,666	9,022,829	61.77%	18.17%
2022	0.257614%	4,875,559	8,895,693	54.81%	24.08%
2023	0.271360%	3,809,921	9,979,721	38.18%	30.34%

(1) Information prior to 2017 is not available. The District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the District's measurement date, which is the prior fiscal year-end.

Fiscal Year	Contractually Required Contributions (3)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 134,722	\$ (134,722)	\$ -	\$ 6,929,298	1.94%
2015	196,251	(196,251)	-	6,791,495	2.89%
2016	120,395	(120,395)	-	6,465,521	1.86%
2017	130,875	(130,875)	-	7,701,121	1.70%
2018	173,603	(173,603)	-	8,228,437	2.11%
2019	178,123	(178,123)	-	8,847,452	2.01%
2020	114,549	(114,549)	-	9,022,829	1.27%
2021	128,008	(128,008)	-	8,895,693	1.44%
2022	167,968	(167,968)	-	9,979,721	1.68%
2023	144,155	(144,155)	-	10,716,857	1.35%

(3) Includes Surcharge.

See Notes to Required Supplementary Information.

## Huber Heights City District, Ohio

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

Measurement Date Fiscal Year (1)(2)	District's Proportion of the Net OPEB Liability/(Asset)	District's Proportionate Share of the Net OPEB Liability/(Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.243817%	\$ 13,039,372	\$ 25,838,086	50.47%	37.30%
2018	0.251087%	9,796,505	28,541,871	34.32%	47.11%
2019	0.256584%	(4,123,046)	29,464,893	-13.99%	176.00%
2020	0.262924%	(4,354,654)	30,868,307	-14.11%	174.70%
2021	0.269159%	(4,730,463)	32,483,279	-14.56%	182.10%
2022	0.278728%	(5,876,749)	34,393,179	-17.09%	174.70%
2023	0.279702%	(7,242,430)	36,362,650	-19.92%	230.7%

(1) Information prior to 2017 is not available. The District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the District's measurement date, which is the prior fiscal year-end.

Fiscal Year	Contractually Required Contributions (3)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 270,623	\$ (270,623)	\$ -	\$ 27,062,346	1.00%
2015	-	-	-	23,562,886	0.00%
2016	-	-	-	25,838,086	0.00%
2017	-	-	-	28,541,871	0.00%
2018	-	-	-	29,464,893	0.00%
2019	-	-	-	30,868,307	0.00%
2020	-	-	-	32,483,279	0.00%
2021	-	-	-	34,393,179	0.00%
2022	-	-	-	36,362,650	0.00%
2023	-	-	-	37,542,821	0.00%

(3) STRS allocated the entire 14% employer contribution rate towards pension benefits .

See Notes to Required Supplementary Information.

# Huber Heights City School District, Ohio

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## Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2023

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### 1. Defined Benefit Pension Plans

#### **School Employees Retirement System of Ohio:**

##### *Change in benefit and funding terms:*

- For measurement period 2017, the COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.50% with a floor of 0.0% beginning January 1, 2018. In addition, with the authority granted to the Board under Ohio House Bill 49, the Board enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.
- For measurement period 2018, with the authority granted to the Board under Ohio Senate Bill 8, the Board enacted a three-year COLA delay for future benefit recipients commencing on or after April 1, 2018.

##### *Change in assumptions:*

- For measurement period 2016, the assumed rate of inflation was reduced from 3.25% to 3.00%, the payroll growth assumption was reduced from 4.00% to 3.50%, the assumed real wage growth was reduced from 0.75% to 0.50%, the rates of withdrawal, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries, and disabled members were updated.
- For measurement period 2020, the assumed rate of inflation was reduced from 3.00% to 2.40%, the assumed real wage growth was increased from 0.50% to 0.85%, the cost-of-living adjustments were reduced from 2.50% to 2.00%, the discount rate was reduced from 7.50% to 7.00%, the rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries and disabled members were updated.
- For measurement period 2022, the cost-of-living adjustments was increased from 2.00% to 2.50%.

#### **State Teachers Retirement System of Ohio:**

##### *Change in benefit and funding terms:*

- For measurement period 2017, the COLA was reduced to zero.

##### *Change in assumptions:*

- For the measurement period 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2016. Significant changes included a reduction of the discount rate from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The health and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

# Huber Heights City School District, Ohio

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## Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2023

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### 1. Defined Benefit Pension Plans

#### **State Teachers Retirement System of Ohio** (continued):

##### *Change in assumptions (continued):*

- For measurement period 2021, the discount rate was adjusted to 7.00% from 7.45%.
- For measurement period 2022, demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

### 2. Postemployment Benefit Plans Other than Pension (OPEB)

#### **School Employees Retirement System of Ohio:**

##### *Change in benefit and funding terms:*

- None noted.

##### *Change in assumptions:*

- For measurement period 2016, the assumed rate of inflation was reduced from 3.25% to 3.00%, the payroll growth assumption was reduced from 4.00% to 3.50%, the assumed real wage growth was reduced from 0.75% to 0.50%, the rates of withdrawal, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries, and disabled members were updated.
- For measurement period 2020, the assumed rate of inflation was reduced from 3.00% to 2.40%, the assumed real wage growth was increased from 0.50% to 0.85%, the cost-of-living adjustments were reduced from 2.50% to 2.00%, the discount rate was reduced from 7.50% to 7.00%, the rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries and disabled members were updated.
- For measurement period 2022, the discount rate was increased from 2.27% to 4.08% and the health care trend rates were updated.

#### **State Teachers Retirement System of Ohio:**

##### *Change in benefit and funding terms:*

- For the measurement period 2017, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.
- For the measurement period 2018, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year for 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.

## Huber Heights City School District, Ohio

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### *Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2023*

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#### **2. Postemployment Benefit Plans Other than Pension (OPEB) (continued)**

##### **State Teachers Retirement System of Ohio: (continued)**

##### *Change in benefit and funding terms: (continued)*

- For the measurement period 2019, there was no change to the claims cost process. Claims curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For measurement year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2021 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.
- For measurement year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.10%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- For measurement year 2022, salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age-based to service-based.

##### *Change in assumptions:*

- For measurement year 2017, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), and the long-term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trends were modified along with the portion of rebated prescription drug costs.
- For measurement year 2018, the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74. Valuation year per capita health care costs were updated.
- For measurement year 2021, the discount rate was adjusted to 7.00% from 7.45%.
- For measurement year 2022, healthcare trends were updated to reflect emerging claims and recoveries experience.

COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES

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HUBER HEIGHTS

CITY SCHOOLS



## Huber Heights City School District, Ohio

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### **Special Revenue Funds**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes.

#### **Food Service Fund**

To account for the financial transactions related to the food service operation of the District.

#### **Miscellaneous Special Trusts Fund**

To account for funding provided by donors for student programs or to benefit students but are not governed by any form of trust agreement(s).

#### **Miscellaneous Grants Fund**

To account for funding provided from local and private sources which are provided to assist the District with various educational programs and activities.

#### **Educational Foundation Fund**

To account for restricted donations received by the Huber Heights Educational Foundation to provide for student programs and activities, as well as provide necessary support to teaching staff.

#### **Facilities Maintenance Fund**

To account for and report the revenues restricted to expenditures for the maintenance and upkeep of school buildings constructed in conjunction with the Ohio School Facilities Commission.

#### **Student Managed Activities Fund**

To account for local funds generated to assist student activities, which are managed by Students with District personnel oversight.

#### **District Managed Student Activity Fund**

To account for local funds generated to assist student activities, which are managed by District personnel.

#### **Auxiliary Services Fund**

To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

#### **Miscellaneous State Grants Fund**

To account for state grant funding restricted for various educational programs not funded through general State support.

#### **Coronavirus Relief Fund**

To account for federal funds allocated to the District to address the unexpected costs incurred due to the public health emergency with respect to the COVID-19 pandemic.

## Huber Heights City School District, Ohio

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### **Special Revenue Funds** (continued)

#### **Title VI-B Grant Fund**

To account for federal funds received for the purpose of assisting in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternate service patterns, and provision of full educational opportunities to handicapped children.

#### **Supplemental School Improvement Grant Fund**

To account for federal funds used to meet the special needs of educationally deprived children for specific programs and initiatives.

#### **Title III Grant Fund**

To account for federal funds used to meet the educational needs of children of limited English proficiency.

#### **Title I Grant Fund**

To account for federal funds used to meet the special needs of educationally deprived children.

#### **Title IV-A Grant Fund**

To account for federal funds used to provide a well-rounded education for all children, improve school conditions to provide a healthy learning environment, and provide enhanced learning experience through effective use of data and technology.

#### **IDEA Preschool Grant Fund**

To account for revenues and expenditures made in conjunction with early childhood activities.

#### **Title II- A Grant Fund**

To account for monies received under a federal grant to provide training and professional development for professional staff members.

#### **Miscellaneous Federal Grants Fund**

To account for federal funds provided for miscellaneous federal programs.

#### **Uniform School Supply Fund**

To account for the purchase and sale of instructional supplies as adopted by the Board of Education for us in all buildings throughout the District. This fund is included with the general fund for GAAP reporting as it does not have restricted or committed revenue source, therefore only Budget (Non-GAAP Basis) information is presented within this section.

#### **Public School Rotary Fund**

To account funds received by each school building within the District to be used to support specific student activities as well as obtaining school supplies not provided by the District.

## Huber Heights City School District, Ohio

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### Special Revenue Funds (continued)

#### **Public School Support Fund**

To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e., sale of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs. This fund is included with the general fund for GAAP reporting as it does not have restricted or committed revenue source, therefore only Budget (Non-GAAP Basis) information is presented within this section.

#### **Underground Storage Tank Fund**

To account for funds set-aside for the care, maintenance and removal of underground storage tank(s) as required by State Statutes. This fund is included with the general fund for GAAP reporting as it does not have restricted or committed revenue source, therefore only Budget (Non-GAAP Basis) information is presented within this section.

### Capital Projects Fund

Capital Projects funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects.

#### **Permanent Improvement Fund**

The account for all transactions related to acquiring, constructing or improving such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

#### **Building Fund**

The account for all transactions related to all capital financing and other forms of indebtedness related to capital improvements projects within the District.

### Debt Service Fund

Debt Service funds are used to account for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

#### **Bond Retirement Fund**

To account for property tax, and related, revenues restricted for the repayment of general obligation debt issued by the District.

## Huber Heights City School District, Ohio

*Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 7,326,149	\$ 8,925,032	\$ 2,829,443	\$ 19,080,624
Restricted: Cash and Cash Equivalents	26,005	-	-	26,005
Inventory Held for Resale	38,274	-	-	38,274
Materials and Supplies Inventory	17,177	-	-	17,177
Accounts Receivable	10,363	-	-	10,363
Intergovernmental Receivable	417,899	-	-	417,899
Taxes Receivable	293,375	586,750	4,297,220	5,177,345
<i>Total Assets</i>	<u>\$ 8,129,242</u>	<u>\$ 9,511,782</u>	<u>\$ 7,126,663</u>	<u>\$ 24,767,687</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 23,237	\$ -	\$ -	\$ 23,237
Accrued Wages and Benefits	378,626	-	-	378,626
Interfund Payable	296,000	-	-	296,000
Intergovernmental Payable	52,177	-	-	52,177
Matured Compensated Absences Payable	77,370	-	-	77,370
<i>Total Liabilities</i>	<u>827,410</u>	<u>-</u>	<u>-</u>	<u>827,410</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Property Taxes not Levied to Finance				
Current Year Operations	257,539	515,079	3,769,188	4,541,806
Unavailable Revenue	168,613	7,503	55,754	231,870
<i>Total Deferred Inflows of Resources</i>	<u>426,152</u>	<u>522,582</u>	<u>3,824,942</u>	<u>4,773,676</u>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Materials and Supplies Inventory	17,177	-	-	17,177
<b>Restricted:</b>				
Capital Outlay	-	8,989,200	-	8,989,200
Debt Service	-	-	3,301,721	3,301,721
Food Service	1,962,545	-	-	1,962,545
Facilities Maintenance	4,604,239	-	-	4,604,239
State and Federal Grant Programs	572,433	-	-	572,433
Other Purposes	216,093	-	-	216,093
Unassigned (Deficit)	(496,807)	-	-	(496,807)
<i>Total Fund Balances</i>	<u>6,875,680</u>	<u>8,989,200</u>	<u>3,301,721</u>	<u>19,166,601</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 8,129,242</u>	<u>\$ 9,511,782</u>	<u>\$ 7,126,663</u>	<u>\$ 24,767,687</u>

## Huber Heights City School District, Ohio

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 286,599	\$ 573,198	\$ 4,172,688	\$ 5,032,485
Intergovernmental	7,979,584	83,922	627,090	8,690,596
Interest	3,238	-	-	3,238
Extracurricular Activities	587,518	-	-	587,518
Gifts and Donations	2,495	100,000	-	102,495
Customer Sales and Services	446,044	-	-	446,044
<i>Total Revenues</i>	<u>9,305,478</u>	<u>757,120</u>	<u>4,799,778</u>	<u>14,862,376</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	309,733	-	-	309,733
Special	2,695,032	-	-	2,695,032
Vocational	7,929	-	-	7,929
Other	21,118	-	-	21,118
<b>Support Services:</b>				
Pupils	440,382	-	-	440,382
Instructional Staff	432,456	-	-	432,456
Administration	121,451	-	-	121,451
Fiscal	5,858	9,942	72,499	88,299
Operation and Maintenance of Plant	699,814	82,755	-	782,569
Pupil Transportation	14,484	65,005	-	79,489
Operation of Non-Instructional Services	3,315,398	-	-	3,315,398
Extracurricular Activities	640,383	-	-	640,383
Capital Outlay	499	3,909,811	-	3,910,310
<b>Debt Service:</b>				
Principal	-	620,648	2,510,000	3,130,648
Interest	-	101,508	2,372,050	2,473,558
<i>Total Expenditures</i>	<u>8,704,537</u>	<u>4,789,669</u>	<u>4,954,549</u>	<u>18,448,755</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>600,941</u>	<u>(4,032,549)</u>	<u>(154,771)</u>	<u>(3,586,379)</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers In	65,000	-	-	65,000
<i>Net Change in Fund Balances</i>	665,941	(4,032,549)	(154,771)	(3,521,379)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>6,209,739</u>	<u>13,021,749</u>	<u>3,456,492</u>	<u>22,687,980</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 6,875,680</u>	<u>\$ 8,989,200</u>	<u>\$ 3,301,721</u>	<u>\$ 19,166,601</u>

**Huber Heights City School District, Ohio**

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2023*

	<b>Food Service Fund</b>	<b>Miscellaneous Special Trusts Fund</b>	<b>Miscellaneous Grants Fund</b>	<b>Educational Foundation Fund</b>
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,770,447	\$ 260	\$ 1,073	\$ 3,981
Restricted: Cash and Cash Equivalents	-	-	-	26,005
Inventory Held for Resale	38,274	-	-	-
Materials and Supplies Inventory	17,177	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	263,401	-	-	-
Taxes Receivable	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,089,299</b>	<b>\$ 260</b>	<b>\$ 1,073</b>	<b>\$ 29,986</b>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 9,639	\$ -	\$ -	\$ 500
Accrued Wages and Benefits	22,336	-	-	-
Interfund Payable	-	-	-	-
Intergovernmental Payable	12,609	-	-	-
Matured Compensated Absences Payable	64,993	-	-	-
<b>Total Liabilities</b>	<b>109,577</b>	<b>-</b>	<b>-</b>	<b>500</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Materials and Supplies Inventory	17,177	-	-	-
<b>Restricted:</b>				
Food Service	1,962,545	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	-	-	-	-
Other Purposes	-	260	1,073	29,486
Unassigned (Deficit)	-	-	-	-
<b>Total Fund Balances</b>	<b>1,979,722</b>	<b>260</b>	<b>1,073</b>	<b>29,486</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,089,299</b>	<b>\$ 260</b>	<b>\$ 1,073</b>	<b>\$ 29,986</b>

(Continued)

**Huber Heights City School District, Ohio**

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2023  
(Continued)*

	<b>Facilities Maintenance Fund</b>	<b>Student Managed Activities Fund</b>	<b>District Managed Student Activity Fund</b>	<b>Auxiliary Services Fund</b>
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,580,367	\$ 158,817	\$ 30,152	\$ 190,757
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	10,363	-	-
Intergovernmental Receivable	-	-	-	-
Taxes Receivable	293,375	-	-	-
<i>Total Assets</i>	<u>\$ 4,873,742</u>	<u>\$ 169,180</u>	<u>\$ 30,152</u>	<u>\$ 190,757</u>
<b>LIABILITIES:</b>				
Accounts Payable	\$ 8,212	\$ 1,250	\$ 1,888	\$ -
Accrued Wages and Benefits	-	-	557	15,448
Interfund Payable	-	-	-	-
Intergovernmental Payable	-	-	-	2,595
Matured Compensated Absences Payable	-	-	-	-
<i>Total Liabilities</i>	<u>8,212</u>	<u>1,250</u>	<u>2,445</u>	<u>18,043</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Property Taxes not Levied to Finance				
Current Year Operations	257,539	-	-	-
Unavailable Revenue	3,752	10,363	-	-
<i>Total Deferred Inflows of Resources</i>	<u>261,291</u>	<u>10,363</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Materials and Supplies Inventory	-	-	-	-
<b>Restricted:</b>				
Food Service	-	-	-	-
Facilities Maintenance	4,604,239	-	-	-
State and Federal Grant Programs	-	-	-	172,714
Other Purposes	-	157,567	27,707	-
Unassigned (Deficit)	-	-	-	-
<i>Total Fund Balances</i>	<u>4,604,239</u>	<u>157,567</u>	<u>27,707</u>	<u>172,714</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 4,873,742</u>	<u>\$ 169,180</u>	<u>\$ 30,152</u>	<u>\$ 190,757</u>

(Continued)

**Huber Heights City School District, Ohio**

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2023  
(Continued)*

	<b>Miscellaneous State Grants Fund</b>	<b>Coronavirus Relief Fund</b>	<b>Title VI-B Grant Fund</b>	<b>Supplemental School Improvement Grant Fund</b>
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 51,161	\$ 4,908	\$ 10,054	\$ -
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	7,929	-	79,942	-
Taxes Receivable	-	-	-	-
<i>Total Assets</i>	<b>\$ 59,090</b>	<b>\$ 4,908</b>	<b>\$ 89,996</b>	<b>\$ -</b>
<b>LIABILITIES:</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	185,793	-
Interfund Payable	8,000	-	90,000	-
Intergovernmental Payable	-	-	5,744	558
Matured Compensated Absences Payable	-	-	39	-
<i>Total Liabilities</i>	<b>8,000</b>	<b>-</b>	<b>281,576</b>	<b>558</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	7,929	-	79,942	-
<i>Total Deferred Inflows of Resources</i>	<b>7,929</b>	<b>-</b>	<b>79,942</b>	<b>-</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Materials and Supplies Inventory	-	-	-	-
<b>Restricted:</b>				
Food Service	-	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	43,161	4,908	-	-
Other Purposes	-	-	-	-
Unassigned (Deficit)	-	-	(271,522)	(558)
<i>Total Fund Balances</i>	<b>43,161</b>	<b>4,908</b>	<b>(271,522)</b>	<b>(558)</b>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<b>\$ 59,090</b>	<b>\$ 4,908</b>	<b>\$ 89,996</b>	<b>\$ -</b>

(Continued)



**Huber Heights City School District, Ohio**

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2023  
(Continued)*

	<b>Title III Grant Fund</b>	<b>Title I Grant Fund</b>	<b>Title IV-A Grant Fund</b>	<b>IDEA Preschool Grant Fund</b>
<b>ASSETS:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 327	\$ 113,362	\$ 12,742	\$ 25,907
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	173	56,229	2,481	1,593
Taxes Receivable	-	-	-	-
<i>Total Assets</i>	<b>\$ 500</b>	<b>\$ 169,591</b>	<b>\$ 15,223</b>	<b>\$ 27,500</b>
<b>LIABILITIES:</b>				
Accounts Payable	\$ -	\$ -	\$ 1,748	\$ -
Accrued Wages and Benefits	446	136,717	-	6,372
Interfund Payable	500	85,000	15,000	27,500
Intergovernmental Payable	-	29,000	404	-
Matured Compensated Absences Payable	-	12,338	-	-
<i>Total Liabilities</i>	<b>946</b>	<b>263,055</b>	<b>17,152</b>	<b>33,872</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	173	56,229	2,481	1,593
<i>Total Deferred Inflows of Resources</i>	<b>173</b>	<b>56,229</b>	<b>2,481</b>	<b>1,593</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Materials and Supplies Inventory	-	-	-	-
<b>Restricted:</b>				
Food Service	-	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	-	-	-	-
Other Purposes	-	-	-	-
Unassigned (Deficit)	(619)	(149,693)	(4,410)	(7,965)
<i>Total Fund Balances</i>	<b>(619)</b>	<b>(149,693)</b>	<b>(4,410)</b>	<b>(7,965)</b>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<b>\$ 500</b>	<b>\$ 169,591</b>	<b>\$ 15,223</b>	<b>\$ 27,500</b>

(Continued)

**Huber Heights City School District, Ohio**

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2023  
(Continued)*

	Title II-A Grant Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS:</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 20,184	\$ 351,650	\$ 7,326,149
Restricted: Cash and Cash Equivalents	-	-	26,005
Inventory Held for Resale	-	-	38,274
Materials and Supplies Inventory	-	-	17,177
Accounts Receivable	-	-	10,363
Intergovernmental Receivable	6,151	-	417,899
Taxes Receivable	-	-	293,375
<i>Total Assets</i>	<u>\$ 26,335</u>	<u>\$ 351,650</u>	<u>\$ 8,129,242</u>
<b>LIABILITIES:</b>			
Accounts Payable	\$ -	\$ -	23,237
Accrued Wages and Benefits	10,957	-	378,626
Interfund Payable	70,000	-	296,000
Intergovernmental Payable	1,267	-	52,177
Matured Compensated Absences Payable	-	-	77,370
<i>Total Liabilities</i>	<u>82,224</u>	<u>-</u>	<u>827,410</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property Taxes not Levied to Finance			
Current Year Operations	-	-	257,539
Unavailable Revenue	6,151	-	168,613
<i>Total Deferred Inflows of Resources</i>	<u>6,151</u>	<u>-</u>	<u>426,152</u>
<b>FUND BALANCES:</b>			
<b>Nonspendable:</b>			
Materials and Supplies Inventory	-	-	17,177
<b>Restricted:</b>			
Food Service	-	-	1,962,545
Facilities Maintenance	-	-	4,604,239
State and Federal Grant Programs	-	351,650	572,433
Other Purposes	-	-	216,093
Unassigned (Deficit)	(62,040)	-	(496,807)
<i>Total Fund Balances</i>	<u>(62,040)</u>	<u>351,650</u>	<u>6,875,680</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 26,335</u>	<u>\$ 351,650</u>	<u>\$ 8,129,242</u>

(Concluded)

## Huber Heights City School District, Ohio

*Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2023*

	<b>Permanent Improvement Fund</b>	<b>Building Fund</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>ASSETS:</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,953,702	\$ 5,971,330	\$ 8,925,032
Taxes Receivable	586,750	-	586,750
<i>Total Assets</i>	<u>\$ 3,540,452</u>	<u>\$ 5,971,330</u>	<u>\$ 9,511,782</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Property Taxes not Levied to Finance			
Current Year Operations	\$ 515,079	\$ -	\$ 515,079
Unavailable Revenue	7,503	-	7,503
<i>Total Deferred Inflows of Resources</i>	522,582	-	522,582
<b>FUND BALANCES:</b>			
Restricted:			
Capital Outlay	3,017,870	5,971,330	8,989,200
<i>Total Fund Balances</i>	3,017,870	5,971,330	8,989,200
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 3,540,452</u>	<u>\$ 5,971,330</u>	<u>\$ 9,511,782</u>

## Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2023

	Food Service Fund	Miscellaneous Special Trusts Fund	Miscellaneous Grants Fund	Educational Foundation Fund
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,336,123	-	-	-
Interest	2,105	-	-	1,006
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	-	2,495
Customer Sales and Services	446,044	-	-	-
<i>Total Revenues</i>	<u>2,784,272</u>	<u>-</u>	<u>-</u>	<u>3,501</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Regular	-	-	181	-
Special	-	-	-	-
Vocational	-	-	-	-
Other	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Fiscal	-	-	-	887
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services	2,859,484	-	-	1,500
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total Expenditures</i>	<u>2,859,484</u>	<u>-</u>	<u>181</u>	<u>2,387</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(75,212)	-	(181)	1,114
<b>OTHER FINANCING SOURCE:</b>				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	(75,212)	-	(181)	1,114
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,054,934	260	1,254	28,372
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,979,722</u>	<u>\$ 260</u>	<u>\$ 1,073</u>	<u>\$ 29,486</u>

(Continued)

## Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2023  
 (Continued)

	Facilities Maintenance Fund	Student Managed Activities Fund	District Managed Student Activity Fund	Auxiliary Services Fund
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 286,599	\$ -	\$ -	\$ -
Intergovernmental	151,313	-	-	417,024
Interest	-	-	-	127
Extracurricular Activities	-	196,031	391,487	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
<i>Total Revenues</i>	<u>437,912</u>	<u>196,031</u>	<u>391,487</u>	<u>417,151</u>
<b>EXPENDITURES:</b>				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Vocational	-	-	-	-
Other	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Fiscal	4,971	-	-	-
Operation and Maintenance of Plant	357,778	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services	-	-	-	265,902
Extracurricular Activities	-	171,059	469,324	-
Capital Outlay	-	-	-	-
<i>Total Expenditures</i>	<u>362,749</u>	<u>171,059</u>	<u>469,324</u>	<u>265,902</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	75,163	24,972	(77,837)	151,249
<b>OTHER FINANCING SOURCE:</b>				
Transfers In	-	-	65,000	-
<i>Net Change in Fund Balances</i>	75,163	24,972	(12,837)	151,249
<i>Fund Balance (Deficit) at Beginning of Year</i>	4,529,076	132,595	40,544	21,465
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 4,604,239</u>	<u>\$ 157,567</u>	<u>\$ 27,707</u>	<u>\$ 172,714</u>

(Continued)

## Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2023  
 (Continued)

	Miscellaneous State Grants Fund	Coronavirus Relief Fund	Title VI-B Grant Fund	Supplemental School Improvement Grant Fund
REVENUES:				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	100,568	-	1,718,049	35,442
Interest	-	-	-	-
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
<i>Total Revenues</i>	<u>100,568</u>	<u>-</u>	<u>1,718,049</u>	<u>35,442</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	-	-	-	10,814
Special	-	-	1,285,822	-
Vocational	7,929	-	-	-
Other	-	-	-	16,778
Support Services:				
Pupils	-	-	440,382	-
Instructional Staff	-	-	-	8,408
Administration	-	-	-	-
Fiscal	-	-	-	-
Operation and Maintenance of Plant	30,745	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services	49,479	-	46,793	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<i>Total Expenditures</i>	<u>88,153</u>	<u>-</u>	<u>1,772,997</u>	<u>36,000</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	12,415	-	(54,948)	(558)
OTHER FINANCING SOURCE:				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	12,415	-	(54,948)	(558)
<i>Fund Balance (Deficit) at Beginning of Year</i>	30,746	4,908	(216,574)	-
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 43,161</u>	<u>\$ 4,908</u>	<u>\$ (271,522)</u>	<u>\$ (558)</u>

(Continued)

## Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2023  
 (Continued)

	Title III Grant Fund	Title I Grant Fund	Title IV-A Grant Fund	IDEA Preschool Grant Fund
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	44,541	2,047,150	162,316	37,269
Interest	-	-	-	-
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
<i>Total Revenues</i>	<u>44,541</u>	<u>2,047,150</u>	<u>162,316</u>	<u>37,269</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	-	154,284	144,454	-
Special	35,403	1,334,728	560	38,519
Vocational	-	-	-	-
Other	-	4,340	-	-
<b>Support Services:</b>				
Pupils	-	-	-	-
Instructional Staff	-	201,003	5,315	-
Administration	-	121,451	-	-
Fiscal	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	14,484	-	-
Operation of Non-Instructional Services	-	59,376	10,168	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	499
<i>Total Expenditures</i>	<u>35,403</u>	<u>1,889,666</u>	<u>160,497</u>	<u>39,018</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	9,138	157,484	1,819	(1,749)
<b>OTHER FINANCING SOURCE:</b>				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	9,138	157,484	1,819	(1,749)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(9,757)</u>	<u>(307,177)</u>	<u>(6,229)</u>	<u>(6,216)</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (619)</u>	<u>\$ (149,693)</u>	<u>\$ (4,410)</u>	<u>\$ (7,965)</u>

(Continued)

## Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Non-major Special Revenue Funds  
 For the Fiscal Year Ended June 30, 2023  
 (Continued)

	Title II-A Grant Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES:</b>			
Property and Other Local Taxes	\$ -	\$ -	\$ 286,599
Intergovernmental	237,613	692,176	7,979,584
Interest	-	-	3,238
Extracurricular Activities	-	-	587,518
Gifts and Donations	-	-	2,495
Customer Sales and Services	-	-	446,044
<i>Total Revenues</i>	<u>237,613</u>	<u>692,176</u>	<u>9,305,478</u>
<b>EXPENDITURES:</b>			
Current:			
Instruction:			
Regular	-	-	309,733
Special	-	-	2,695,032
Vocational	-	-	7,929
Other	-	-	21,118
Support Services:			
Pupils	-	-	440,382
Instructional Staff	217,730	-	432,456
Administration	-	-	121,451
Fiscal	-	-	5,858
Operation and Maintenance of Plant	-	311,291	699,814
Pupil Transportation	-	-	14,484
Operation of Non-Instructional Services	22,696	-	3,315,398
Extracurricular Activities	-	-	640,383
Capital Outlay	-	-	499
<i>Total Expenditures</i>	<u>240,426</u>	<u>311,291</u>	<u>8,704,537</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(2,813)	380,885	600,941
<b>OTHER FINANCING SOURCE:</b>			
Transfers In	-	-	65,000
<i>Net Change in Fund Balances</i>	(2,813)	380,885	665,941
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(59,227)</u>	<u>(29,235)</u>	<u>6,209,739</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (62,040)</u>	<u>\$ 351,650</u>	<u>\$ 6,875,680</u>

(Concluded)



## Huber Heights City School District, Ohio

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2023*

	Permanent Improvement Fund	Building Fund	Total Nonmajor Capital Projects Funds
REVENUES:			
Property and Other Local Taxes	\$ 573,198	\$ -	\$ 573,198
Intergovernmental	83,922	-	83,922
Gifts and Donations	100,000	-	100,000
<i>Total Revenues</i>	<u>757,120</u>	<u>-</u>	<u>757,120</u>
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	9,942	-	9,942
Operation and Maintenance of Plant	82,755	-	82,755
Pupil Transportation	65,005	-	65,005
Capital Outlay	366,952	3,542,859	3,909,811
Debt Service:			
Principal	219,648	401,000	620,648
Interest	15,389	86,119	101,508
<i>Total Expenditures</i>	<u>759,691</u>	<u>4,029,978</u>	<u>4,789,669</u>
<i>Net Change in Fund Balances</i>	(2,571)	(4,029,978)	(4,032,549)
<i>Fund Balance (Deficit) at Beginning of Year</i>	3,020,441	10,001,308	13,021,749
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 3,017,870</u>	<u>\$ 5,971,330</u>	<u>\$ 8,989,200</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Food Service Fund</b>			
Total Revenues and Other Sources	\$ 3,617,504	\$ 2,765,881	\$ (851,623)
Total Expenditures and Other Uses	<u>3,033,946</u>	<u>2,813,160</u>	<u>220,786</u>
Net Change in Fund Balances	583,558	(47,279)	(630,837)
Fund Balance, July 1	1,771,198	1,771,198	-
Prior Year Encumbrances	<u>31,773</u>	<u>31,773</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 2,386,529</u>	<u>\$ 1,755,692</u>	<u>(630,837)</u>
<b>Miscellaneous Special Trusts Fund</b>			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	<u>260</u>	<u>260</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 260</u>	<u>\$ 260</u>	<u>\$ -</u>
<b>Miscellaneous Grants Fund</b>			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>200</u>	<u>181</u>	<u>19</u>
Net Change in Fund Balances	(200)	(181)	19
Fund Balance, July 1	<u>1,255</u>	<u>1,255</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,055</u>	<u>\$ 1,074</u>	<u>\$ 19</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Educational Foundation Fund</b>			
Total Revenues and Other Sources	\$ 943	\$ 3,501	\$ 2,558
Total Expenditures and Other Uses	-	1,887	(1,887)
Net Change in Fund Balances	943	1,614	671
Fund Balance, July 1	28,373	28,373	-
Fund Balance, June 30	<u>\$ 29,316</u>	<u>\$ 29,987</u>	<u>\$ 671</u>
<b>Facilities Maintenance Fund</b>			
Total Revenues and Other Sources	\$ 450,732	\$ 454,339	\$ 3,607
Total Expenditures and Other Uses	759,808	481,557	278,251
Net Change in Fund Balances	(309,076)	(27,218)	281,858
Fund Balance, July 1	4,444,962	4,444,962	-
Prior Year Encumbrances	36,143	36,143	-
Fund Balance, June 30	<u>\$ 4,172,029</u>	<u>\$ 4,453,887</u>	<u>\$ 281,858</u>
<b>Student Managed Activities Fund</b>			
Total Revenues and Other Sources	\$ 320,216	\$ 196,031	\$ (124,185)
Total Expenditures and Other Uses	311,152	184,217	126,935
Net Change in Fund Balances	9,064	11,814	2,750
Fund Balance, July 1	109,971	109,971	-
Prior Year Encumbrances	24,979	24,979	-
Fund Balance, June 30	<u>\$ 144,014</u>	<u>\$ 146,764</u>	<u>\$ 2,750</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>District Managed Student Activity Fund</b>			
Total Revenues and Other Sources	\$ 609,801	\$ 456,487	\$ (153,314)
Total Expenditures and Other Uses	<u>483,828</u>	<u>484,549</u>	<u>(721)</u>
Net Change in Fund Balances	125,973	(28,062)	(154,035)
Fund Balance, July 1	24,394	24,394	-
Prior Year Encumbrances	<u>22,821</u>	<u>22,821</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 173,188</u>	<u>\$ 19,153</u>	<u>\$ (154,035)</u>
<b>Auxiliary Services Fund</b>			
Total Revenues and Other Sources	\$ 424,289	\$ 417,151	\$ (7,138)
Total Expenditures and Other Uses	<u>449,528</u>	<u>277,779</u>	<u>171,749</u>
Net Change in Fund Balances	(25,239)	139,372	164,611
Fund Balance, July 1	40,411	40,411	-
Prior Year Encumbrances	<u>9,253</u>	<u>9,253</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 24,425</u>	<u>\$ 189,036</u>	<u>\$ 164,611</u>
<b>Miscellaneous State Grants Fund</b>			
Total Revenues and Other Sources	\$ 792,744	\$ 108,568	\$ (684,176)
Total Expenditures and Other Uses	<u>814,489</u>	<u>88,153</u>	<u>726,336</u>
Net Change in Fund Balances	(21,745)	20,415	42,160
Fund Balance, July 1	<u>30,745</u>	<u>30,745</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 9,000</u>	<u>\$ 51,160</u>	<u>\$ 42,160</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Coronavirus Relief Fund</b>			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	4,909	4,909	-
Fund Balance, June 30	<u>\$ 4,909</u>	<u>\$ 4,909</u>	<u>\$ -</u>
<b>Title IV-B Grant Fund</b>			
Total Revenues and Other Sources	\$ 2,048,362	\$ 1,808,049	\$ (240,313)
Total Expenditures and Other Uses	1,988,398	1,798,703	189,695
Net Change in Fund Balances	59,964	9,346	(50,618)
Fund Balance, July 1	712	712	-
Fund Balance, June 30	<u>\$ 60,676</u>	<u>\$ 10,058</u>	<u>\$ (50,618)</u>
<b>Supplemental School Improvement Grant Fund</b>			
Total Revenues and Other Sources	\$ 153,807	\$ 37,622	\$ (116,185)
Total Expenditures and Other Uses	152,718	39,035	113,683
Net Change in Fund Balances	1,089	(1,413)	(2,502)
Fund Balance, July 1	317	317	-
Prior Year Encumbrances Appropriated	1,093	1,093	-
Fund Balance, June 30	<u>\$ 2,499</u>	<u>\$ (3)</u>	<u>\$ (2,502)</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Title III Grant Fund</b>			
Total Revenues and Other Sources	\$ 49,025	\$ 45,041	\$ (3,984)
Total Expenditures and Other Uses	<u>45,626</u>	<u>45,091</u>	<u>535</u>
Net Change in Fund Balances	3,399	(50)	(3,449)
Fund Balance, July 1	<u>377</u>	<u>377</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3,776</u>	<u>\$ 327</u>	<u>\$ (3,449)</u>
<b>Title I Grant Fund</b>			
Total Revenues and Other Sources	\$ 2,633,463	\$ 2,132,150	\$ (501,313)
Total Expenditures and Other Uses	<u>2,466,660</u>	<u>2,055,427</u>	<u>411,233</u>
Net Change in Fund Balances	166,803	76,723	(90,080)
Fund Balance, July 1	(680)	(680)	-
Prior Year Encumbrances	<u>20,808</u>	<u>20,808</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 186,931</u>	<u>\$ 96,851</u>	<u>\$ (90,080)</u>
<b>Title IV-A Grant Fund</b>			
Total Revenues and Other Sources	\$ 327,277	\$ 177,316	\$ (149,961)
Total Expenditures and Other Uses	<u>204,521</u>	<u>190,741</u>	<u>13,780</u>
Net Change in Fund Balances	122,756	(13,425)	(136,181)
Fund Balance, July 1	(97)	(97)	-
Prior Year Encumbrances	<u>16,813</u>	<u>16,813</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 139,472</u>	<u>\$ 3,291</u>	<u>\$ (136,181)</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>IDEA Preschool Grant Fund</b>			
Total Revenues and Other Sources	\$ 67,323	\$ 64,769	\$ (2,554)
Total Expenditures and Other Uses	65,769	58,895	6,874
Net Change in Fund Balances	1,554	5,874	4,320
Fund Balance, July 1	-	-	-
Fund Balance, June 30	<u>\$ 1,554</u>	<u>\$ 5,874</u>	<u>\$ 4,320</u>
<b>Title II-A Grant Fund</b>			
Total Revenues and Other Sources	\$ 435,084	\$ 307,613	\$ (127,471)
Total Expenditures and Other Uses	369,624	305,392	64,232
Net Change in Fund Balances	65,460	2,221	(63,239)
Fund Balance, July 1	(86)	(86)	-
Prior Year Encumbrances	14,552	14,552	-
Fund Balance, June 30	<u>\$ 79,926</u>	<u>\$ 16,687</u>	<u>\$ (63,239)</u>
<b>Miscellaneous Federal Grants Fund</b>			
Total Revenues and Other Sources	\$ 478,000	\$ 692,176	\$ 214,176
Total Expenditures and Other Uses	298,915	358,523	(59,608)
Net Change in Fund Balances	179,085	333,653	154,568
Fund Balance, July 1	273	273	-
Prior Year Encumbrances Appropriated	17,727	17,727	-
Fund Balance, June 30	<u>\$ 197,085</u>	<u>\$ 351,653</u>	<u>\$ 154,568</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Uniform School Supply Fund</b>			
Total Revenues and Other Sources	\$ 237,448	\$ 227,088	\$ (10,360)
Total Expenditures and Other Uses	<u>226,717</u>	<u>222,343</u>	<u>4,374</u>
Net Change in Fund Balances	10,731	4,745	(5,986)
Fund Balance, July 1	1,398	1,398	-
Prior Year Encumbrances Appropriated	<u>1,294</u>	<u>1,294</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 13,423</u>	<u>\$ 7,437</u>	<u>\$ (5,986)</u>
<b>Public School Rotary Fund</b>			
Total Revenues and Other Sources	\$ 42,315	\$ 36,765	\$ (5,550)
Total Expenditures and Other Uses	<u>39,000</u>	<u>(2,159)</u>	<u>41,159</u>
Net Change in Fund Balances	3,315	38,924	35,609
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3,315</u>	<u>\$ 38,924</u>	<u>\$ 35,609</u>
<b>Public School Support Fund</b>			
Total Revenues and Other Sources	\$ 85,482	\$ 79,052	\$ (6,430)
Total Expenditures and Other Uses	<u>86,480</u>	<u>78,896</u>	<u>7,584</u>
Net Change in Fund Balances	(998)	156	1,154
Fund Balance, July 1	209,247	209,247	-
Prior Year Encumbrances Appropriated	<u>3,363</u>	<u>3,363</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 211,612</u>	<u>\$ 212,766</u>	<u>\$ 1,154</u>



## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Underground Storage Tank Fund</b>			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	11,000	11,000	-
Fund Balance, June 30	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ -</u>

## Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Capital Project Fund  
For the Fiscal Year Ended June 30, 2023*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Permanent Improvement Fund</b>			
Total Revenues and Other Sources	\$ 782,871	\$ 789,974	\$ 7,103
Total Expenditures and Other Uses	<u>2,482,665</u>	<u>1,636,050</u>	<u>846,615</u>
Net Change in Fund Balances	(1,699,794)	(846,076)	853,718
Fund Balance, July 1	2,958,025	2,958,025	-
Prior Year Encumbrances	<u>26,246</u>	<u>26,246</u>	<u>-</u>
Fund Balance, June 30	<u><u>1,284,477</u></u>	<u><u>2,138,195</u></u>	<u><u>\$ 853,718</u></u>
<b>Building Fund</b>			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>4,000,000</u>	<u>4,704,778</u>	<u>(704,778)</u>
Net Change in Fund Balances	(4,000,000)	(4,704,778)	(704,778)
Fund Balance, July 1	8,801,308	8,801,308	-
Prior Year Encumbrances	<u>1,200,000</u>	<u>1,200,000</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 6,001,308</u></u>	<u><u>\$ 5,296,530</u></u>	<u><u>\$ (704,778)</u></u>

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## Huber Heights City School District, Ohio

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*Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
Nonmajor Debt Service Fund  
For the Fiscal Year Ended June 30, 2023*

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Bond Retirement Fund</b>			
Total Revenues and Other Sources	\$ 5,048,025	\$ 5,047,615	\$ (410)
Total Expenditures and Other Uses	<u>5,019,300</u>	<u>4,954,549</u>	<u>64,751</u>
Net Change in Fund Balances	28,725	93,066	64,341
Fund Balance, July 1	<u>2,736,374</u>	<u>2,736,374</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 2,765,099</u></u>	<u><u>\$ 2,829,440</u></u>	<u><u>\$ 64,341</u></u>

## Huber Heights City School District, Ohio

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### **Fiduciary Funds**

Fiduciary are used to account for assets held by the District in a trustee capacity or as an agent for individuals, organizations, other governmental units, and/or other funds. The District's Fiduciary Funds are limited to a Private Purpose Trust Fund and Custodial Fund.

### **Private Purpose Trust Fund**

#### **Memorial Scholarship Fund**

The funds in this account will be expended on scholarships, as directed by these outside entities, to District student recipients. As this is the District's only private purpose trust fund, no combining statements are included for this fund type.

### **Custodial Fund**

#### **OHSAA Tournaments Clearing Fund**

To account for funds received in conjunction with hosting Ohio High School tournament games, for which the District acts as the fiscal agent, until those funds are properly disbursed. As this is the District's only custodial fund, no combining statements are included for this fund type.

# STATISTICAL SECTION

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HUBER HEIGHTS

CITY SCHOOLS

## Statistical Section

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

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<b>Financial Trends</b> .....	111-117
These schedules contain trend information to help the reader understand how the District’s financial performance and well- being have changed over time.	
<b>Revenue Capacity</b> .....	118-121
These schedules contain information to help the reader assess the District’s most significant local revenue source, the property tax.	
<b>Debt Capacity</b> .....	122-125
These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b> .....	126-127
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.	
<b>Operating Information</b> .....	128-132
These schedules contain service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the services the District provides and the activities it performs.	

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HUBER HEIGHTS

CITY SCHOOLS



**Huber Heights City School District, Ohio**

*Schedule 1 - Unaudited  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)*

	2023	2022	2021	2020	2019 (3)	2018	2017 (2)	2016	2015	2014 (1)
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 96,433,072	\$ 87,836,516	\$ 87,059,684	\$ 85,874,011	\$ 85,153,654	\$ 83,873,451	\$ 81,873,973	\$ 80,085,765	\$ 96,415,602	\$ 95,872,373
Restricted	17,916,316	18,144,167	11,113,385	11,492,514	11,183,383	11,877,760	13,919,709	16,307,114	8,540,666	7,750,205
Unrestricted	(18,216,934)	(15,309,824)	(18,466,184)	(15,502,687)	(15,349,654)	(30,070,681)	(68,793,700)	(56,590,749)	(64,860,304)	(75,188,611)
<b>Total governmental activities net position</b>	<b>\$ 96,132,454</b>	<b>\$ 90,670,859</b>	<b>\$ 79,706,885</b>	<b>\$ 81,863,838</b>	<b>\$ 80,987,383</b>	<b>\$ 65,680,530</b>	<b>\$ 26,999,982</b>	<b>\$ 39,802,130</b>	<b>\$ 40,095,964</b>	<b>\$ 28,433,967</b>

Source: School District records.

Note:

- (1) District implemented the provisions of GASB Statement No. 68 in fiscal year 2015 which required a restatement of fiscal year 2014 amounts and explains the significant decrease in Unrestricted Net Position for those two years.
- (2) District implemented the provisions of GASB Statement No. 75 in fiscal year 2018 which required a restatement of fiscal year 2017 amounts.
- (3) District implemented the provisions of GASB Statement No. 84 in fiscal year 2020 which required a restatement of fiscal year 2019 amounts.

**Huber Heights City School District, Ohio**

*Schedule 2 - Unaudited  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)*

	2023	2022	2021	2020	2019 (5)	2018	2017	2016	2015 (1)	2014
<b>Governmental Activities:</b>										
<b>Expenses</b>										
Instruction:										
Regular	\$ 36,611,212	\$ 32,011,738	\$ 37,880,712	\$ 33,058,102	\$ 24,440,731	\$ 12,698,471	\$ 30,394,660	\$ 28,017,469	\$ 42,401,840	\$ 42,838,352
Special	17,321,980	15,888,981	17,063,135	16,113,383	12,491,925	7,263,143	12,256,483	10,638,756	-	-
Vocational	18,789	10,763	9,057	13,035	5,760	14,760	11,580	12,888	-	-
Other	1,033,935	592,638	4,408,752	4,268,397	4,571,477	5,261,617	5,555,932	5,419,413	-	-
Support Services:										
Pupils	6,282,096	4,459,504	5,735,630	5,520,651	4,235,560	2,886,393	4,176,152	3,083,706	2,404,768	2,170,440
Instructional Staff	2,088,811	2,334,206	1,958,659	2,230,946	1,775,083	669,015	1,580,488	1,642,183	642,473	352,237
Board of Education	19,639	26,332	16,915	15,512	4,726	17,940	15,365	17,940	13,675	24,331
Administration	5,889,624	4,714,557	5,779,977	5,005,524	3,512,261	1,725,995	3,789,553	3,438,575	3,337,574	3,471,293
Fiscal	1,434,443	1,426,193	1,182,260	1,482,636	1,409,136	814,694	1,106,451	1,114,353	1,091,840	1,065,108
Business	461,990	320,287	415,607	545,296	508,121	366,349	196,293	355,076	226,833	368,708
Operation and Maintenance of Plant	4,798,426	5,718,898	5,146,606	5,537,442	5,157,374	4,067,874	5,286,005	5,582,379	4,227,251	4,206,335
Pupil Transportation	3,866,074	3,158,607	2,786,060	3,427,680	3,262,377	1,638,383	2,884,269	2,535,033	2,708,714	2,670,840
Central	1,400,422	2,014,312	1,612,401	1,582,468	1,126,336	327,055	671,137	456,052	275,878	249,202
Operation of Non-Instructional Services	3,235,701	2,841,066	2,754,538	3,048,704	3,080,867	2,171,923	2,911,202	2,567,330	2,537,432	2,480,364
Extracurricular Activities	1,406,918	1,184,406	1,166,438	1,178,762	1,063,355	374,013	925,456	824,028	966,849	876,871
Interest and Fiscal Charges	2,542,199	2,610,463	2,706,177	2,831,105	2,951,896	2,997,038	3,199,761	2,719,784	3,691,669	3,725,822
Intergovernmental	-	-	-	-	-	-	-	6,274,737	-	-
<b>Total Expenses (4)</b>	\$ 88,412,259	\$ 79,312,951	\$ 90,622,924	\$ 85,859,643	\$ 69,607,841	\$ 43,281,449	\$ 74,960,787	\$ 74,699,702	\$ 64,526,796	\$ 64,499,903
<b>Program Revenues</b>										
Charges for Services:										
Regular Instruction	1,007,126	528,249	487,436	2,175,837	1,085,396	872,782	625,760	867,781	702,721	1,081,819
Special Instruction	949,382	868,975	451,766	-	276,106	300,842	126,629	116,081	-	-
Administration	-	-	-	593	-	-	-	-	-	-
Pupil Transportation	8,938	-	7,316	-	39,869	18,132	25,436	32,547	-	-
Operation of Non-Instructional Services	446,044	87,886	57,486	319,493	835,609	671,035	749,293	830,796	798,794	838,665
Extracurricular Activities	738,380	632,923	455,277	449,904	674,370	550,681	571,141	674,084	915,852	833,785
Operating Grants and Contributions	17,798,456	9,778,496	9,974,992	8,284,924	11,292,775	10,232,843	9,590,462	9,354,508	6,434,134	5,696,844
Capital Grants and Contributions	-	-	-	-	-	-	-	24,320	-	255,718
<b>Total Program Revenues</b>	\$ 20,948,326	\$ 11,896,529	\$ 11,434,273	\$ 11,230,751	\$ 14,204,125	\$ 12,646,315	\$ 11,688,721	\$ 11,875,797	\$ 8,875,821	\$ 8,706,831
<b>Net Expense</b>	\$ (67,463,933)	\$ (67,416,422)	\$ (79,188,651)	\$ (74,628,892)	\$ (55,403,716)	\$ (30,635,134)	\$ (63,272,066)	\$ (62,823,905)	\$ (55,650,975)	\$ (55,793,072)

**Huber Heights City School District, Ohio**

*Schedule 2 - Unaudited  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(continued)*

	2023	2022	2021	2020	2019	2018	2017	2016	2015 (1)	2014
<b>General Revenues and Other Changes in Net Position:</b>										
Grants and Entitlements not Restricted										
to Specific Programs	38,626,245	39,531,536	41,485,167	40,783,534	37,588,230	36,760,572	36,200,820	35,406,709	35,427,067	33,037,512
Payments in Lieu of Taxes	-	-	-	-	-	1,359,877	1,155,507	-	-	-
Investment Earnings	1,475,995	(1,500,796)	126,356	1,736,974	1,770,364	609,012	184,513	316,174	77,635	72,335
Miscellaneous	1,594,976	2,264,901	2,581,414	1,540,567	1,046,323	354,314	678,562	368,572	367,259	451,861
Property Taxes	31,228,312	38,084,755	32,838,761	31,444,272	30,216,708	30,231,907	31,924,250	30,162,564	31,441,011	31,532,435
<b>Total General Revenues</b>	<b>72,925,528</b>	<b>78,380,396</b>	<b>77,031,698</b>	<b>75,505,347</b>	<b>70,621,625</b>	<b>69,315,682</b>	<b>70,143,652</b>	<b>66,254,019</b>	<b>67,312,972</b>	<b>65,094,143</b>
<b>Change in Net Position</b>	<b>5,461,595</b>	<b>10,963,974</b>	<b>(2,156,953)</b>	<b>876,455</b>	<b>15,217,909</b>	<b>38,680,548</b>	<b>6,871,586</b>	<b>3,430,114</b>	<b>11,661,997</b>	<b>9,301,071</b>
<b>Net Position Beginning of Year</b>	<b>90,670,859</b>	<b>79,706,885</b>	<b>81,865,838</b>	<b>80,987,383</b>	<b>65,680,530</b>	<b>26,999,982</b>	<b>39,802,130</b>	<b>40,095,964</b>	<b>28,433,967</b>	<b>101,306,128</b>
<b>Restatement to Implement GASB 68 (2)</b>	-	-	-	-	-	-	-	-	-	-
<b>Restatement for Correction of Error</b>	-	-	-	-	-	-	-	-	-	-
<b>Restatement to Implement GASB 75 (3)</b>	-	-	-	-	-	-	-	(3,723,948)	-	-
<b>Restatement to Implement GASB 84 (5)</b>	-	-	-	-	88,944	-	(19,673,734)	-	-	-
<b>Net Position End of Year</b>	<b>\$ 96,132,454</b>	<b>\$ 90,670,859</b>	<b>\$ 79,706,885</b>	<b>\$ 81,863,838</b>	<b>\$ 80,987,383</b>	<b>\$ 65,680,530</b>	<b>\$ 26,999,982</b>	<b>\$ 39,802,130</b>	<b>\$ 40,095,964</b>	<b>\$ 28,433,967</b>

Source: School District records.

Note:

- (1) For fiscal year 2015 and prior, the District reported all instructional expenses as one amount on the financial statements. As such, all amounts for fiscal year 2015 and prior all instructional expenses are reported as regular instruction.
- (2) District implemented the provisions of GASB Statement No. 68 in fiscal year 2015 which required a restatement of fiscal year 2014 ending net position; however information necessary to restate beginning balance was not available.
- (3) District implemented the provisions of GASB Statement No. 75 in fiscal year 2018 which required a restatement of fiscal year 2017 ending net position; however information necessary to restate beginning balance was not available.
- (4) Variances in expenses for fiscal year 2018 to fiscal year 2020 was due to recognition of significant negative pension and OPEB expenses for fiscal year 2018 compared to those of the other years.
- (5) District implemented the provisions of GASB Statement No. 84 in fiscal year 2020 which required a restatement of fiscal year 2019 ending net position.

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HUBER HEIGHTS

CITY SCHOOLS

**Huber Heights City School District, Ohio**

*Schedule 3 - Unaudited  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)*

	2023	2022	2021	2020	2019 (2)	2018	2017	2016	2015	2014
<b>General Fund</b>										
Nonspendable	\$ 88,593	\$ 90,817	\$ 76,039	\$ 71,190	\$ 146,860	\$ 184,794	\$ 285,716	\$ 225,134	\$ 300,744	\$ 187,519
Committed	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Assigned	8,916,571	2,075,867	3,913,988	9,639,713	997,731	608,790	752,662	967,355	2,029,229	2,945,882
Unassigned	45,536,794	51,456,241	52,065,938	43,853,072	48,025,554	41,226,535	33,546,679	23,145,007	15,140,981	4,704,163
Total General Fund	\$ 54,552,958	\$ 53,633,925	\$ 56,066,965	\$ 53,574,975	\$ 49,181,145	\$ 42,031,119	\$ 34,596,057	\$ 24,348,496	\$ 17,481,954	\$ 7,848,564
<b>All Other Governmental Funds</b>										
Nonspendable	\$ 17,177	\$ 11,872	\$ 8,590	\$ 12,456	\$ -	\$ 10,119	\$ 11,027	\$ 6,175	\$ 20,519	\$ 14,677
Restricted (1)	19,646,231	23,310,523	11,022,120	10,883,722	11,137,595	11,909,966	14,035,005	16,340,265	24,002,955	23,704,649
Unassigned	(1,250,940)	(815,770)	(456,765)	(496,253)	(221,934)	(198,649)	(208,289)	(187,746)	(145,928)	(89,229)
Total All Other Governmental Funds	\$ 18,412,468	\$ 22,506,625	\$ 10,573,945	\$ 10,399,925	\$ 10,915,661	\$ 11,721,436	\$ 13,837,743	\$ 16,158,694	\$ 23,877,546	\$ 23,630,097
Total Governmental Funds	\$ 72,965,426	\$ 76,140,550	\$ 66,640,910	\$ 63,974,900	\$ 60,096,806	\$ 53,752,555	\$ 48,433,800	\$ 40,507,190	\$ 41,359,500	\$ 31,478,661

Source: School District records.

Notes:

(1) - The significantly higher amounts reported for restricted/reserved fund balance in fiscal years 2012 to 2016 relate to the District's participation in the School Facilities project to construct new school facilities within the District. Fiscal year 2022 increase related to \$10 million cash made available for capital outlay within the building fund through general fund transfer as well as debt issuance.

(2) - The District implemented GASB Statement No. 84 in fiscal year 2020, therefore fiscal year 2019 have been restated from those previously reported.

**Huber Heights City School District, Ohio**

*Schedule 4 - Unaudited  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>REVENUES:</b>										
Property and Other Local Taxes	\$ 31,549,621	\$ 36,615,861	\$ 32,081,761	\$ 31,522,568	\$ 30,491,403	\$ 30,178,117	\$ 32,185,263	\$ 29,914,946	\$ 31,481,557	\$ 31,643,528
Payment in Lieu of Taxes	1,353,273	1,949,662	675,357	772,953	890,249	1,359,877	1,155,507	-	-	-
Intergovernmental	56,637,678	48,931,246	52,206,344	47,959,683	49,019,437	46,933,149	45,753,198	44,274,437	41,885,521	39,642,524
Interest	1,475,995	(1,500,796)	126,356	1,736,974	1,782,457	624,906	174,249	303,440	77,635	72,335
Tuition and Fees	1,836,701	1,602,309	1,232,171	1,260,564	948,618	1,098,201	662,628	819,185	702,721	1,081,819
Rent	45,956	77,095	75,777	95,056	129,537	-	-	-	-	-
Extracurricular Activities	817,732	732,486	504,300	557,830	607,117	641,889	684,855	831,308	915,852	833,785
Gifts and Donations	102,495	108,943	115,792	129,234	107,016	-	-	-	-	-
Customer Sales and Services	446,044	87,886	57,486	501,109	656,207	671,035	749,293	830,796	798,794	838,665
Miscellaneous	265,247	2,263,780	1,883,634	755,022	67,395	367,953	662,791	409,072	367,259	451,861
<b>Total Revenues</b>	<b>94,530,742</b>	<b>90,868,472</b>	<b>88,958,978</b>	<b>85,290,993</b>	<b>84,699,436</b>	<b>81,875,127</b>	<b>82,027,784</b>	<b>77,383,184</b>	<b>76,229,339</b>	<b>74,564,517</b>
<b>EXPENDITURES:</b>										
Current:										
Instruction:										
Regular	33,251,486	33,652,674	33,231,814	29,541,280	27,306,213	26,648,171	27,661,336	26,408,268	42,363,522	42,502,451
Special	16,904,102	16,470,619	15,929,781	14,988,169	14,143,289	13,308,568	11,762,847	10,797,492	-	-
Vocational	18,789	10,763	9,057	13,035	5,760	14,760	11,580	12,888	-	-
Other	1,093,089	789,461	4,397,855	4,251,494	4,608,668	5,368,601	5,553,889	5,419,853	-	-
Support Services:										
Pupils	5,879,497	5,221,124	5,332,423	5,215,323	4,708,889	4,531,335	4,046,932	3,178,376	2,475,089	2,435,104
Instructional Staff	2,079,483	2,444,985	1,831,954	1,961,059	2,002,822	1,693,001	1,488,754	1,657,882	659,050	366,123
Board of Education	19,639	26,332	16,915	15,512	15,582	14,151	14,364	15,919	13,675	24,331
Administration	5,678,503	5,349,696	5,272,524	4,448,813	4,091,590	3,827,889	3,637,352	3,762,836	3,338,551	3,658,277
Fiscal	1,495,522	1,406,041	1,103,391	1,319,573	1,382,538	1,101,294	1,056,825	1,128,338	1,112,608	1,064,722
Business	434,626	364,788	374,882	518,450	526,307	461,140	188,684	344,887	233,964	363,297
Operation and Maintenance of Plant	5,599,816	5,248,019	4,971,127	5,117,644	5,332,406	4,829,818	5,122,202	5,685,229	4,338,709	4,448,964
Pupil Transportation	4,133,857	3,321,702	3,095,191	3,360,222	3,441,529	2,961,968	2,748,168	2,942,617	2,498,185	2,883,636
Central	1,563,947	2,028,920	1,524,064	1,463,131	1,144,958	547,345	651,045	458,135	280,511	250,228
Operation of Non-Instructional Services	3,315,398	3,168,411	2,601,933	3,000,755	3,076,278	3,085,064	2,888,975	2,604,193	2,509,166	2,477,584
Extracurricular Activities	1,462,431	1,219,607	1,133,373	1,150,475	996,631	910,054	880,872	879,226	962,590	872,124
Capital Outlay	9,171,475	498,231	495,450	-	619,753	2,655,461	263,203	56,121	744,514	2,164,343
Intergovernmental	-	-	-	-	-	-	-	6,274,737	-	-
Debt Service:										
Principal	3,130,648	2,607,413	2,335,253	3,095,116	2,270,201	2,026,085	3,497,556	4,363,299	1,242,312	1,231,704
Interest and Fiscal Charges	2,473,558	2,541,354	2,635,981	2,765,440	2,879,747	2,943,334	3,121,973	2,192,889	3,695,121	3,729,193
Issuance Costs	-	64,692	-	-	-	-	-	586,174	-	-
<b>Total Expenditures</b>	<b>97,705,866</b>	<b>86,434,832</b>	<b>86,292,968</b>	<b>82,225,491</b>	<b>78,553,161</b>	<b>76,928,039</b>	<b>74,596,557</b>	<b>78,769,359</b>	<b>66,467,567</b>	<b>68,472,081</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,175,124)</b>	<b>4,433,640</b>	<b>2,666,010</b>	<b>3,065,502</b>	<b>6,146,275</b>	<b>4,947,088</b>	<b>7,431,227</b>	<b>(1,386,175)</b>	<b>9,761,772</b>	<b>6,092,436</b>

**Huber Heights City School District, Ohio**

*Schedule 4 - Unaudited  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(continued)*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>OTHER FINANCING SOURCES AND USES:</b>										
Transfers In	65,000	5,045,000	11,000	100,000	-	-	-	8,940,707	2,982	32,467
Inception of Lease-Purchase Agreements	-	5,066,000	-	800,000	-	373,998	421,965	-	-	94,101
Refunding Bonds Issued	-	-	-	-	-	-	-	65,840,000	-	-
Premium on Bonds/Notes Issued	-	-	-	-	-	-	-	8,448,512	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	3,200	27,083	60,804	17,548	-	-
Insurance Recoveries	-	-	-	12,592	85,479	-	-	-	-	-
Transfers Out	(65,000)	(5,045,000)	(11,000)	(100,000)	-	-	-	(8,940,707)	(2,982)	(32,467)
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	(73,701,363)	-	-
<i>Total Other Financing Sources and Uses</i>	-	5,066,000	-	812,592	88,679	401,081	482,769	604,697	-	94,101
<i>Net Change in Fund Balances</i>	<i>\$ (3,175,124)</i>	<i>\$ 9,499,640</i>	<i>\$ 2,666,010</i>	<i>\$ 3,878,094</i>	<i>\$ 6,234,954</i>	<i>\$ 5,348,169</i>	<i>\$ 7,913,996</i>	<i>\$ (781,478)</i>	<i>\$ 9,761,772</i>	<i>\$ 6,186,537</i>
Debt Service as a percentage of noncapital expenditures	6.46%	5.97%	5.84%	7.16%	6.67%	6.70%	8.94%	8.43%	7.54%	7.72%

Source: School District records.

**Huber Heights City School District, Ohio**

*Schedule 5 - Unaudited  
Assessed Value and Actual Value of Taxable Property  
Last Ten Collection Years*

Collection Year	Real Property		Public Utilities Personal		Total		Total Direct Tax Rate
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
2023	\$ 830,604,850	\$ 2,373,332,657	\$ 19,246,880	\$ 54,991,086	\$ 849,851,730	\$ 2,428,323,743	65.75
2022	\$ 815,258,090	\$ 2,329,308,829	\$ 18,012,240	\$ 51,463,543	\$ 833,270,330	\$ 2,380,772,371	65.75
2021	\$ 820,354,500	\$ 2,343,870,000	\$ 17,020,230	\$ 48,629,229	\$ 837,374,730	\$ 2,392,499,229	65.75
2020	\$ 699,039,560	\$ 1,997,255,886	\$ 16,746,280	\$ 47,846,514	\$ 715,785,840	\$ 2,045,102,400	66.25
2019	\$ 693,739,590	\$ 1,982,113,114	\$ 15,588,700	\$ 44,539,143	\$ 709,328,290	\$ 2,026,652,257	66.25
2018	\$ 689,676,300	\$ 1,970,503,714	\$ 14,782,560	\$ 42,235,886	\$ 704,458,860	\$ 2,012,739,600	66.25
2017	\$ 663,340,920	\$ 1,895,259,771	\$ 14,257,010	\$ 40,734,314	\$ 677,597,930	\$ 1,935,994,086	66.74
2016	\$ 655,270,550	\$ 1,872,201,571	\$ 13,366,010	\$ 38,188,600	\$ 668,636,560	\$ 1,910,390,171	66.74
2015	\$ 652,501,790	\$ 1,864,290,829	\$ 13,112,450	\$ 37,464,143	\$ 665,614,240	\$ 1,901,754,971	66.74
2014	\$ 690,287,910	\$ 1,972,251,171	\$ 12,694,120	\$ 36,268,914	\$ 702,982,030	\$ 2,008,520,086	66.74

Source: Montgomery County Auditor's Office

(1) - Real estate value is assessed at 35% of appraised market value.



## Huber Heights City School District, Ohio

Schedule 6 - Unaudited  
Direct and Overlapping Property Tax Rates  
(Rate per \$1,000 of Assessed Value)  
Last Ten Years

### School District Rates

Collection Year /Tax Year	School District Rates							Montgomery County	
	Operating	Debt Service	Permanent Improvement	Facilities Maintenance	Total	City of Huber Heights	Miami Valley Career Technology Center		Dayton Metro Library
2023/2022	58.25	6.00	1.00	0.50	65.75	11.29	3.93	3.04	23.14
2022/2021	58.25	6.00	1.00	0.50	65.75	11.29	3.93	3.04	23.14
2021/2020	58.25	6.00	1.00	0.50	65.75	11.29	3.96	3.15	23.14
2020/2019	58.25	6.50	1.00	0.50	66.25	11.29	4.01	3.15	23.14
2019/2018	58.25	6.50	1.00	0.50	66.25	11.29	4.01	3.31	23.14
2018/2017	(1)	(1)	(1)	(1)	66.25	11.59	4.01	3.31	22.94
2017/2016	(1)	(1)	(1)	(1)	66.74	11.59	2.58	3.31	22.94
2016/2015	(1)	(1)	(1)	(1)	66.74	11.29	2.58	3.31	22.94
2015/2014	(1)	(1)	(1)	(1)	66.74	11.29	2.58	3.31	21.94
2014/2013	(1)	(1)	(1)	(1)	66.74	11.29	2.58	3.31	20.94

Source: Montgomery County Auditor's Office

(1) - Individual component rates of total direct rate was not readily available for collection year 2018 and prior.

**Huber Heights City School District, Ohio**

*Schedule 7 - Unaudited  
Principal Property Taxpayers  
Current Calendar Year and Nine Years Ago*

Name of Taxpayer	Calendar Year 2022			Calendar Year 2013		
	Total Assessed Valuation	Rank	Percent of Total Assessed Value	Total Assessed Valuation	Rank	Percent of Total Assessed Value
NREA VB V LLC	\$ 38,228,200	1	4.50%			
Dayton Power and Light Co.	\$ 14,479,850	2	1.70%	\$ 10,478,000	2	1.49%
ARC NPHUBOH001 LLC	\$ 10,889,200	3	1.28%			
PMAT North Heights LLC	\$ 4,022,000	4	0.47%			
Vectren Energy Delivery of Ohio	\$ 3,545,000	5	0.42%			
Waynetowne Investments J LLC	\$ 3,364,990	6	0.40%			
ABF Freight System Inc.	\$ 3,069,730	7	0.36%	\$ 3,096,380	8	0.44%
VB ONE LLC	\$ 2,713,280	8	0.32%			
Miami Valley Hospital	\$ 2,413,110	9	0.28%	\$ 3,366,670	6	0.48%
Superior Hotels LLC	\$ 2,292,220	10	0.27%			
Huber Investment Corp				\$ 22,834,390	1	3.24%
Kir Huber Heights LP				\$ 7,411,590	3	1.05%
TJH LLC				\$ 5,345,140	4	0.76%
Huber Management Corp				\$ 4,868,280	5	0.69%
CDC - Lindbergh Subsidiary LLC				\$ 3,346,320	7	0.48%
EPT Neneteen Inc.				\$ 2,857,340	9	0.41%
Good Samaritan Hospital				\$ 2,094,350	10	0.30%
SubTotal	\$ 85,017,580		10.00%	\$ 65,698,460		9.34%
All Other Taxpayers	\$ 764,834,150		90.00%	\$ 638,623,430		90.66%
Total Assessed Valuation	\$ 849,851,730		100.00%	\$ 704,321,890		100.00%

Source: Montgomery County Auditor's Office and Ohio Municipal Advisory Council (OMAC)

Note: Information presented on a calendar year basis as that is the manner in which the information is maintained by the County.

**Huber Heights City School District, Ohio**

*Schedule 8 - Unaudited  
Property Tax Levies and Collections  
Last Ten Levy (Calendar) Years*

Collection Year	Current Year Tax Levies		Delinquent Taxes and Other Adjustments (1)		Total Amounts Levied and Collected	
	Taxes Levied	Amount Collected	Amount Levied	Amount Collected	Levied	Collected
2023	\$ 38,247,808	\$ 37,343,400	\$ 495,994	\$ 899,540	\$ 38,743,802	\$ 38,242,940
2022	\$ 37,822,235	\$ 37,177,775	\$ 819,880	\$ 784,269	\$ 38,642,115	\$ 37,962,044
2021	\$ 37,843,340	\$ 36,795,234	\$ 1,281,228	\$ 555,747	\$ 39,124,568	\$ 37,350,981
2020	\$ 36,206,678	\$ 35,660,525	\$ 592,595	\$ 744,294	\$ 36,799,273	\$ 36,404,819
2019	\$ 35,998,580	\$ 35,457,925	\$ 756,651	\$ 1,217,938	\$ 36,755,231	\$ 36,675,863
2018	\$ 35,776,153	\$ 34,664,653	\$ 810,557	\$ 750,114	\$ 36,586,710	\$ 35,414,767
2017	\$ 35,695,276	\$ 34,809,812	\$ 756,767	\$ 618,575	\$ 36,452,043	\$ 35,428,387
2016	\$ 35,420,116	\$ 34,774,000	\$ 1,017,780	\$ 1,103,118	\$ 36,437,896	\$ 35,877,118
2015	\$ 35,343,548	\$ 34,420,341	\$ 1,123,624	\$ 1,112,432	\$ 36,467,172	\$ 35,532,773
2014	\$ 36,135,522	\$ 35,055,378	\$ 1,105,343	\$ 610,879	\$ 37,240,865	\$ 35,666,257

Source: Montgomery County Auditor's Office

*N/A - Information was not readily available. The District will accumulate historical information in years to come.  
(1) The County does not identify delinquent tax collections by tax year. While it is anticipated delinquent amounts will be tracked by tax year in the future, that information is not currently available. Currently delinquents are levied in total each year the amount remains delinquent. Other adjustments primarily include penalties and interest, since by Ohio law they become part of the tax obligation as assessment occurs. The District will work with the County to ensure information is presented when available. The high percentage of delinquent collections in for collection years 2019 and 2020 were due to post tax adjustments on various commercial properties for those years.*

## Huber Heights City School District, Ohio

*Schedule 9 - Unaudited  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years*

Fiscal Year	General Obligation Bonds (1)	Certificates of Participation	Direct Financing Lease Agreements	Energy Conservation Notes	Total Governmental Activities	Percentage Average Personal Income Total Governmental Activities (2)	Per Capita General Obligation	Per Enrollment General Obligation (2)	Per Capita Other
2023	\$ 62,176,206	\$ -	\$ 5,068,521	\$ -	\$ 67,244,727	4.47%	\$ 1,431	\$ 10,999	\$ 117
2022	\$ 65,168,197	\$ -	\$ 5,689,169	\$ -	\$ 70,857,366	5.21%	\$ 1,506	\$ 11,528	\$ 131
2021	\$ 68,045,184	\$ -	\$ 835,582	\$ -	\$ 68,880,766	6.15%	\$ 1,701	\$ 12,173	\$ 21
2020	\$ 70,652,171	\$ - (3)	\$ 1,045,835	\$ -	\$ 71,698,006	6.45%	\$ 1,766	\$ 11,684	\$ 26
2019	\$ 73,189,158	\$ 885,000	\$ 400,951	\$ -	\$ 74,475,109	7.22%	\$ 1,833	\$ 12,188	\$ 32
2018	\$ 75,651,145	\$ 1,000,000	\$ 576,152	\$ -	\$ 77,227,297	7.85%	\$ 1,986	\$ 12,734	\$ 41
2017	\$ 77,898,133	\$ 1,110,000	\$ 353,239	\$ -	\$ 79,361,372	8.07%	\$ 2,045	\$ 13,790	\$ 38
2016	\$ 79,965,120	\$ 1,215,000	\$ 23,830	\$ -	\$ 81,203,950	8.25%	\$ 2,099	\$ 13,604	\$ 33
2015	\$ 75,120,000	\$ 1,310,000	\$ 47,129	\$ -	\$ 76,477,129	7.77%	\$ 1,972	\$ 12,608	\$ 36
2014	\$ 76,200,000	\$ 1,400,000	\$ 89,076	\$ 30,365	\$ 77,719,441	7.90%	\$ 2,000	\$ 12,469	\$ 40

Source: School District records

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

(1) Amounts reported for General Obligation Bonds include unamortized premiums.

(2) See Schedule 13 for personal income, enrollment and population data.

(3) The Certificates of Participation were refunded in FY2020 through the Refunding Lease-Purchase agreement.

**Huber Heights City School District, Ohio**

*Schedule 10 - Unaudited  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Population (1)</b>	43,439	43,272	40,006	40,006	39,926	38,101	38,101	38,101	38,101	38,101
<b>Total Estimated Actual Value (2)</b>	\$ 2,428,323,743	\$ 2,428,147,800	\$ 2,392,499,229	\$ 2,045,102,400	\$ 2,026,652,257	\$ 2,012,739,600	\$ 1,935,994,086	\$ 1,910,390,171	\$ 1,901,754,971	\$ 2,008,520,086
<b>General Bonded Debt</b>										
<b>General Obligation Bonds (3)</b>	\$ 62,176,206	\$ 65,168,197	\$ 68,045,184	\$ 70,652,171	\$ 73,189,158	\$ 75,651,145	\$ 77,898,133	\$ 79,965,120	\$ 75,120,000	\$ 76,200,000
<b>Resources Available to Pay Principal (4)</b>	\$ 3,171,448	\$ 3,359,014	\$ 2,640,867	\$ 2,192,352	\$ 2,675,912	\$ 3,049,277	\$ 3,162,524	\$ 4,697,353	\$ 3,473,008	\$ 3,416,963
<b>Net General Bonded Debt</b>	\$ 59,004,758	\$ 61,809,183	\$ 65,404,317	\$ 68,459,819	\$ 70,513,246	\$ 72,601,868	\$ 74,735,609	\$ 75,267,767	\$ 71,646,992	\$ 72,783,037
<b>Ratio of Net Bonded Debt to Total Estimated Actual Property Value</b>	2.43%	2.55%	2.73%	3.35%	3.48%	3.61%	3.86%	3.94%	3.77%	1.98%
<b>Net Bonded Debt per Capita</b>	\$ 1,358	\$ 1,428	\$ 1,635	\$ 1,711	\$ 1,766	\$ 1,906	\$ 1,962	\$ 1,975	\$ 1,880	\$ 1,841

(1) Estimates as of July 1 from U.S. Census Bureau for City of Huber Heights.

(2) Montgomery County Auditor

(3) Includes all general obligation bonded debt supported by property taxes (includes unamortized premiums/discounts).

(4) Restricted net position for debt service.

**Huber Heights City School District, Ohio**

*Schedule 11 - Unaudited  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2023*

	<u>Total Net Debt Obligations</u>	<u>Percentage Applicable to the District (1)</u>	<u>Amount Applicable to the District</u>
<b>Governmental Unit:</b>			
<b>Direct:</b>			
Huber Heights City School District	\$ 67,244,727	100.00%	\$ 67,244,727
<b>Overlapping:</b>			
City of Dayton	39,330,000	5.62%	2,210,346
City of Huber Heights	22,015,000	96.63%	21,273,095
City of Riverside	2,650,000	0.55%	14,575
Miami Valley Career Center Joint Vocational School District	119,886,095	10.30%	12,348,268
Dayton Metro Library District	124,489,986	9.89%	12,312,060
Total Overlapping	308,371,081		48,158,344
Total Direct and Overlapping Debt	\$ 375,615,808		\$ 115,403,071

Source: School District Records and Ohio Municipal Advisory Council.

Note: Only subdivisions with outstanding debt are listed.

(1) - Percentage derived by comparing subdivision's valuation within the School District compared to the total valuation within School District.

## Huber Heights City School District, Ohio

*Schedule 12 - Unaudited  
Legal Debt Margin Information  
Last Ten Fiscal Years*

Fiscal Year	Voted Debt Limit (1)	Total Debt Applicable to Limit (2)	Debt Service Available Balance (3)	Net Debt Applicable to Limit	Voted Legal Debt Margin (4)	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2023	\$ 76,492,198	\$ 57,225,000	\$ 2,829,443	\$ 54,395,557	\$ 22,096,641	71.11%
2022	\$ 74,994,330	\$ 59,735,000	\$ 3,456,492	\$ 56,278,508	\$ 18,715,822	75.04%
2021	\$ 75,363,726	\$ 62,130,000	\$ 2,685,113	\$ 59,444,887	\$ 15,918,839	78.88%
2020	\$ 64,420,726	\$ 64,255,000	\$ 2,347,740	\$ 61,907,260	\$ 2,513,466	96.10%
2019	\$ 63,839,546	\$ 66,310,000	\$ 2,834,340	\$ 63,475,660	\$ 363,886	99.43%
2018	\$ 63,401,297	\$ 68,290,000	\$ 3,178,893	\$ 65,111,107	\$ (1,709,810)	102.70%
2017	\$ 60,983,814	\$ 70,055,000	\$ 3,323,499	\$ 66,731,501	\$ (5,747,687)	109.42%
2016	\$ 60,177,290	\$ 71,640,000	\$ 4,821,943	\$ 66,818,057	\$ (6,640,767)	111.04%
2015	\$ 59,905,282	\$ 75,120,000	\$ 3,670,575	\$ 71,449,425	\$ (11,544,143)	119.27%
2014	\$ 63,268,383	\$ 76,200,000	\$ 3,608,370	\$ 72,591,630	\$ (9,323,247)	114.74%

Source: School District records

(1) = Ohio Bond Law sets a limit of 9% of overall assessed property value.

(2) = General Obligation Debt, excluding unamortized bond premiums/discounts.

(3) = Includes only debt service funds available for general obligation bonded debt supported by property taxes.

(4) = The District has ability to exceed legal debt margin as it has been classified by the State of Ohio as a "special needs" district as it relates to issuing debt for purposes of constructing and renovating classroom facilities.

## Huber Heights City School District, Ohio

*Schedule 13 - Unaudited  
Demographic and Economic Statistics  
Last Ten Fiscal Years*

Year	Population (1)	Unemployment Rate (2)	ADM (3)	Assessed Valuation Per Pupil (4)	Personal Income Per Capita (5)	Median Household Income State (5)	Average Teacher Salary (6)	Graduation Rate (6)
2023	43,439	3.50%	5,869	\$148,933	\$34,622	\$75,903	\$79,561	85.8%
2022	43,272	4.30%	5,653	\$134,388	\$31,444	\$69,184	\$77,148	84.4%
2021	40,006	6.30%	5,590	\$149,799	\$28,018	\$62,461	\$77,900	89.9%
2020	40,006	10.60%	6,047	\$118,370	\$27,794	\$54,491	\$75,447	89.4%
2019	39,926	4.20%	6,005	\$118,123	\$25,823	\$54,897	\$72,981	89.4%
2018	38,101	4.80%	5,941	\$118,576	\$25,823	\$54,897	\$70,103	87.9%
2017	38,101	5.00%	5,649	\$119,950	\$25,823	\$54,897	\$68,465	85.1%
2016	38,101	4.70%	5,878	\$113,752	\$25,823	\$54,897	\$67,039	87.1%
2015	38,101	4.90%	5,958	\$111,718	\$25,823	\$54,897	\$65,663	85.1%
2014	38,101	5.30%	6,111	\$115,036	\$25,823	\$54,897	\$65,140	84.2%

(1) Estimates as of July 1 from U.S. Census Bureau for City of Huber Heights

(2) U.S. Department of Labor Statistics for Dayton Metropolitan Area

(3) Enrollment from School District records

(4) Ohio Department of Education Cupp Report

(5) City of Huber Heights

(6) Ohio Department of Education

N/A = Information not readily available.



## Huber Heights City School District, Ohio

Schedule 14 - Unaudited  
Principal Employers  
Last Calendar Year and Nine Years Ago

Employer	December 31, 2022			December 31, 2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Huber Heights City School District	1,027	1	0.10%	854	1	0.14%
Trimble Engineering & Construction Division	704	2	0.07%	400	3	0.07%
Wal-Mart Store Incorporated	649	3	0.06%	358	4	0.06%
ABF Freight Systems	620	4	0.06%	670	2	0.11%
Meijer	561	5	0.05%			
ADECCO USA	520	6	0.05%			
IATSA Local 66	464	7	0.04%			
Freight BOA Mast	441	8	0.04%			
Scott M&A Corpotation	425	9	0.04%			
Lowe's Home Center, Inc.	382	10	0.04%	224	6	0.04%
FedEx Freight				324	5	0.05%
Montgomery Development Center				214	7	0.04%
City of Huber Heights				188	8	0.03%
Spring Creek Nursing Center				180	9	0.30%
Kroger Limited				174	10	0.03%
	5,793		0.55%	3,586		0.87%

Note: Total number of employees within the City not readily available.

Source: City of Huber Heights - Information is presented on a calendar year basis, which is the most readily available.

**Huber Heights City School District, Ohio**

*Schedule 15 - Unaudited  
Staffing Statistics  
Full-time Equivalents (FTE) by Position  
Last Ten Fiscal Years*

<b>Position</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Asst. Principal	8.00	9.00	8.00	4.00	4.00	4.00	4.00	N/A	N/A	4.00
Principal	7.50	8.50	8.50	8.00	8.00	8.00	8.00	N/A	N/A	7.00
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00
Supervisory/Managing/Directing	18.00	14.50	12.00	8.00	8.00	6.00	6.00	N/A	N/A	9.00
Treasurer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00
Director	5.00	5.00	6.00	6.00	4.00	5.00	5.00	N/A	N/A	3.00
Counseling	12.00	12.00	12.00	12.00	11.00	11.00	11.00	N/A	N/A	10.00
Librarian/Media	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00
Supplemental Special Education Teacher	40.00	38.00	42.00	39.00	39.00	39.00	39.00	N/A	N/A	42.00
Teacher on Special Assignment	0.00	5.00	6.00	6.00	6.00	6.00	6.00	N/A	N/A	6.00
General Education K-12	241.20	239.20	232.56	264.50	258.50	260.50	248.50	N/A	N/A	230.00
Gifted and Talented	2.00	2.00	2.00	3.00	3.00	3.00	3.00	N/A	N/A	2.00
Preschool Education	8.00	7.00	7.00	7.00	7.00	7.00	7.00	N/A	N/A	6.00
Art Education	7.00	7.00	7.00	10.00	10.00	7.50	7.50	N/A	N/A	7.50
Music Education	8.30	8.30	9.30	10.00	10.00	7.50	7.50	N/A	N/A	7.50
Physical Education/Health	7.50	7.50	5.00	8.00	8.00	8.00	8.00	N/A	N/A	8.00
EL Instructional Program	5.00	3.50	2.54	3.50	3.50	1.50	1.50	N/A	N/A	0.00
ROTC Assignment	1.00	0.00	0.00	2.00	2.00	2.00	2.00	N/A	N/A	2.00
Psychologist	4.50	5.00	5.00	5.00	4.00	4.00	4.00	N/A	N/A	3.00
Registered Nursing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	N/A	N/A	0.00
Speech	10.00	10.00	9.60	9.00	8.00	7.00	7.00	N/A	N/A	5.00
Computer Operating	1.00	1.00	2.00	2.00	1.00	2.00	2.00	N/A	N/A	3.00
Library Aide	2.00	3.00	1.21	6.00	6.00	6.00	6.00	N/A	N/A	3.00
Computer Aide	10.00	10.66	10.70	7.00	7.00	7.00	7.00	N/A	N/A	7.00
Bookkeeping	3.00	3.00	3.00	3.00	3.00	3.00	3.00	N/A	N/A	3.00
Administrative Assistants	10.00	11.00	13.00	12.00	11.00	10.00	10.00	N/A	N/A	12.00
Clerical	12.00	14.00	13.00	16.00	16.00	16.00	16.00	N/A	N/A	16.00
Teaching Aide	12.83	18.33	6.33	4.00	6.00	4.00	5.00	N/A	N/A	5.00
Special Needs Aide	57.00	63.00	68.00	75.00	71.00	65.00	61.00	N/A	N/A	60.00
Parent Mentor	0.00	0.00	0.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00
Clinic Aide	8.00	9.00	8.00	8.00	8.00	8.00	8.00	N/A	N/A	10.00
General Maintenance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	N/A	N/A	4.00
Mechanic	2.00	2.00	2.00	2.00	2.00	2.00	2.00	N/A	N/A	2.00
Dispatching	1.00	1.00	1.00	1.00	1.00	0.00	0.00	N/A	N/A	0.00
Vehicle Operator (buses)	23.05	28.43	25.71	32.00	34.00	31.00	35.00	N/A	N/A	33.00
Attendance Officer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	N/A	N/A	0.00
Custodian	19.00	22.00	20.00	19.00	21.00	21.00	21.00	N/A	N/A	18.00
Bus Aide	11.25	10.31	11.50	9.00	10.00	13.00	9.00	N/A	N/A	9.00
<b>Total Governmental Activities</b>	<b>568.13</b>	<b>589.23</b>	<b>570.95</b>	<b>613.00</b>	<b>603.00</b>	<b>587.00</b>	<b>572.00</b>	<b>0.00</b>	<b>0.00</b>	<b>541.00</b>

Source: District EMIS Records

N/A = Information not readily available. The District will continue to accumulate information in years to come.

## Huber Heights City School District, Ohio

Schedule 16 - Unaudited  
Operating Indicators by Function  
Last Ten Fiscal Years

Function	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Enrollment (1)	5,869	5,653	5,590	6,047	6,005	5,941	5,649	5,878	5,958	6,111
Graduation Rate (2)(3)	85.8%	84.4%	89.9%	89.4%	89.4%	87.9%	85.1%	87.1%	85.1%	84.2%
Support Services:										
Administration										
Student Attendance Rate (2)	91.0%	89.9%	91.9%	N/A	94.2%	94.2%	94.3%	94.4%	94.1%	94.2%
Fiscal: (4)										
Payroll Checks Issued	N/A	267	333	519	1,077	1,129	1,191	1,071	903	1,051
Payroll Direct Deposits Issued	N/A	21,351	17,655	18,518	18,592	18,193	17,886	17,469	17,085	17,272
W-2's Issued	N/A	1,028	939	972	973	942	947	935	939	930
Non-payroll Checks Issued	N/A	3,034	2,655	3,245	3,748	3,643	3,520	4,125	4,228	4,328
Pupil Transportation: (3)										
Average number of students transported daily	N/A	2,070	2,070	1,964	1,797	1,831	1,883	1,927	1,865	1,747
Food Service Operations: (4)										
Percentage of Students who receive free/reduced meals (3)	49.4%	49.0%	41.2%	41.9%	40.5%	52.5%	53.4%	51.7%	49.9%	49.1%

Note:

- (1) Enrollment from School District records
  - (2) Graduation Rate is 4-year Graduation Rate as established by the Ohio Department of Education.
  - (3) Ohio Department of Education
  - (4) School District records.
- N/A = Information not readily available. The District will continue to accumulate information in years to come.

## Huber Heights City School District, Ohio

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*Schedule 17 - Unaudited  
Operating Statistics  
Last Ten Fiscal Years*

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Fiscal Year	Expenses (1)	Cost per Pupil	Enrollment
2023	\$ 88,412,259	\$ 16,181	5,464
2022	(2) \$ 79,312,951	\$ 14,030	5,653
2021	\$ 90,622,924	\$ 16,212	5,590
2020	\$ 85,859,643	\$ 14,199	6,047
2019	\$ 69,490,916	\$ 11,572	6,005
2018	(2) \$ 43,281,449	\$ 7,285	5,941
2017	\$ 74,960,787	\$ 13,270	5,649
2016	\$ 74,699,702	\$ 12,708	5,878
2015	\$ 64,526,796	\$ 10,830	5,958
2014	\$ 64,499,903	\$ 10,555	6,111

Source: School District Records

Note:

(1) = Expenses as reported on the Statement of Activities

(2) = Fiscal year 2018 and 2022 expenses lower due to negative pension/OPEB expense for those particular years.

**Huber Heights City School District, Ohio**

*Schedule 18 - Unaudited  
Capital Asset Statistics  
Last Ten Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Land	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 965,003	\$ 965,003
Land Improvements	772,584	843,318	932,812	1,105,520	1,214,474	1,345,341	1,181,919	1,270,250	1,433,607	1,520,151
Buildings and Improvements	142,128,066	142,793,804	144,250,770	145,685,623	147,116,568	145,693,623	146,935,755	148,494,576	153,714,926	154,011,415
Machinery and Equipment	452,709	473,938	479,087	587,346	626,978	701,649	976,626	1,042,580	840,417	522,585
Vehicles	1,544,322	1,303,676	1,439,201	1,289,656	1,206,129	1,016,702	1,062,152	1,037,408	881,651	1,047,890
Construction in Progress	10,075,364	495,450	495,450	-	-	2,076,349	139,557	13,062	-	-
Total Governmental Activities Capital Assets, net	\$ 155,888,839	\$ 146,825,980	\$ 148,513,114	\$ 149,583,939	\$ 151,079,943	\$ 151,749,458	\$ 151,211,803	\$ 152,773,670	\$ 157,835,604	\$ 158,067,044

Source: School District records.

Note: Amounts above are presented net of accumulated depreciation.

**Huber Heights City School District, Ohio**

*Schedule 19 - Unaudited  
Capital Asset Statistics by Building  
Last Ten Fiscal Years*

Year Built	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Secondary</b>										
<i>Wayne High School</i>										
Square Footage	308,700	308,700	308,700	308,700	308,700	308,700	308,700	308,700	308,700	308,700
Acreage	47.57	47.57	47.57	47.57	47.57	30.21	30.21	30.21	30.21	30.21
Capacity (students)	2,607	2,607	2,607	2,607	2,607	2,607	2,607	2,607	2,607	2,607
Enrollment	1,614	1,614	1,573	1,645	1,597	1,606	1,731	1,599	1,777	1,659
<b>Middle</b>										
<i>Weisenborn Middle School</i>										
Square Footage	95,814	95,814	95,814	95,814	95,814	95,814	95,814	95,814	95,814	95,814
Acreage	51.78	51.78	51.78	51.78	51.78	51.78	51.78	51.78	51.78	51.78
Capacity (students)	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745
Enrollment	902	902	901	896	897	861	868	886	894	918
<b>Elementary</b>										
<i>Charles Huber Elementary</i>										
Square Footage	60,710	60,710	60,710	60,710	60,710	60,710	60,710	60,710	60,710	60,710
Acreage	15.66	15.66	15.66	15.66	15.66	15.66	15.66	15.66	15.66	15.66
Capacity (students)	690	690	690	690	690	690	690	690	690	690
Enrollment	593	593	600	664	638	584	594	595	606	631
<i>Monticello Elementary</i>										
Square Footage	55,355	55,355	55,355	55,355	55,355	55,355	55,355	55,355	55,355	55,355
Acreage	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Capacity (students)	690	690	690	690	690	690	690	690	690	690
Enrollment	554	554	539	578	630	655	626	584	588	613
<i>Rushmore Elementary</i>										
Square Footage	57,082	57,082	57,082	57,082	57,082	57,082	57,082	57,082	57,082	57,082
Acreage	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Capacity (students)	690	690	690	690	690	690	690	690	690	690
Enrollment	624	624	624	653	675	679	668	635	615	627
<i>Valley Forge Elementary</i>										
Square Footage	57,171	57,171	57,171	57,171	57,171	57,171	57,171	57,171	57,171	57,171
Acreage	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25
Capacity (students)	690	690	690	690	690	690	690	690	690	690
Enrollment	521	521	544	610	549	567	575	593	609	592
<i>Wright Brothers Elementary</i>										
Square Footage	57,938	57,938	57,938	57,938	57,938	57,938	57,938	57,938	57,938	57,938
Acreage	21.52	21.52	21.52	21.52	21.52	21.52	21.52	21.52	21.52	21.52
Capacity (students)	690	690	690	690	690	690	690	690	690	690
Enrollment	656	656	609	668	644	611	616	635	619	659
<b>Preschool</b>										
<i>Studebaker</i>										
Square Footage	77,901	77,901	77,901	77,901	77,901	77,901	77,901	77,901	77,901	77,901
Acreage	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Capacity (students)	850	850	850	850	850	850	850	850	850	850
Enrollment	189	189	172	198	108	106	81	101	167	159

Source: School District Records  
N/A = Information not readily available. The District will continue to accumulate information in years to come.







**HUBER HEIGHTS CITY  
SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE FISCAL YEAR  
ENDED JUNE 30, 2023**

***Zupka & Associates***  
**Certified Public Accountants**

**HUBER HEIGHTS CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
SINGLE AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**HUBER HEIGHTS CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<b>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Federal Expenditures</b>	<b>Non-Cash Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>			
<i>Passed Through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	\$ 524,183	\$ 0
National School Lunch Program	10.555	2,087,784	158,077
COVID-19 - National School Lunch Program	10.555	154,760	0
Summer Food Service Program for Children	10.559	28,544	0
Total Child Nutrition Cluster		<u>2,795,271</u>	<u>158,077</u>
COVID-19 - Pandemic EBT Administrative Costs	10.649	3,135	0
<b>Total U.S. Department of Agriculture</b>		<u>2,798,406</u>	<u>158,077</u>
<b><u>U.S. Department of Education</u></b>			
<i>Passed Through the Ohio Department of Education</i>			
Title I - Grants to Local Educational Agencies - School Quality Improvement	84.010	299,268	0
Title I - Grants to Local Educational Agencies	84.010	1,607,264	0
Title I - Grants to Local Educational Agencies-Non-Competitive, Expanding Opportunities for Each Child	84.010	80,376	0
Title I - Grants to Local Educational Agencies-Non-Competitive, School Improvement Funds	84.010	36,533	0
<i>Total AL #84.010</i>		<u>2,023,441</u>	<u>0</u>
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	1,546,654	0
COVID-19 - Special Education Grants to States	84.027X	235,050	0
Special Education Preschool Grants	84.173	38,363	0
COVID-19 - Special Education - Preschool Grants	84.173X	499	0
Total Special Education Cluster (IDEA)		<u>1,820,566</u>	<u>0</u>
Improving Teacher Quality State Grants	84.367	233,890	0
English Language Acquisition State Grants	84.365	41,092	0
Student Support and Academic Enrichment Program	84.424	162,291	0
Education Stabilization Fund:			
COVID-19 - ESSER II	84.425D	3,624,952	0
COVID-19 - ARP ESSER	84.425U	6,408,694	0
COVID-19 - ARP ESSER Homeless	84.425W	47,739	0
<i>Total ALN #84.425</i>		<u>10,081,385</u>	<u>0</u>
<b>Total U.S. Department of Education</b>		<u>14,362,665</u>	<u>0</u>
<b><u>U.S. Department of the Treasury</u></b>			
<i>Passed through Ohio Facilities Construction Commission</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	387,045	0
<b>Total U.S. Department of the Treasury</b>		<u>387,045</u>	<u>0</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u>\$ 17,548,116</u>	<u>\$ 158,077</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**HUBER HEIGHTS CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Huber Heights City School District (the District's) under programs of the federal government for the year ended June 30, 2023. 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 District, it is not intended to and does not present the financial position, or changes in net position of the District.

**NOTE 2: 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3. INDIRECT COST RATE**

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

**NOTE 4: CHILD NUTRITION CLUSTER**

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

**NOTE 5: FOOD DONATION PROGRAM**

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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Huber Heights City School District  
Montgomery County  
5954 Longford Road  
Huber Heights, OH 45424

To the Members of the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Huber Heights City School District, Montgomery County, Ohio, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 16, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. 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.

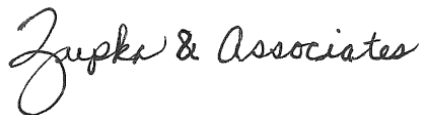
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Zupka & Associates  
Certified Public Accountants

January 16, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Huber Heights City School District  
Montgomery County  
5954 Longford Road  
Huber Heights, OH 45424

To the Members of the Board of Education:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Huber Heights City School District, Montgomery County, Ohio's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Huber Heights City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted an audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by 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 for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Huber Heights City School District, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Huber Heights City School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements to the Huber Heights City School District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Huber Heights City School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Huber Heights City School District's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Huber Heights City School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Huber Heights City School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Huber Heights City School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



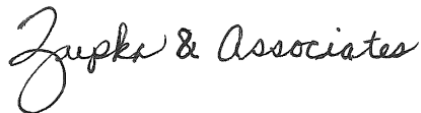
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of 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 the District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated January 16, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Zupka & Associates  
Certified Public Accountants

January 16, 2024

**HUBER HEIGHTS CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
UNIFORM GUIDANCE  
JUNE 30, 2023**

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**1. SUMMARY OF AUDITOR'S RESULTS**

2023(i)	Type of Financial Statement Opinion	Unmodified
2023(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2023(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2023(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2023(iv)	Were there any material internal control weaknesses reported for major federal programs ?	No
2023(iv)	Were there any significant deficiencies in internal control reported for major federal programs ?	No
2023(v)	Type of Major Programs' Compliance Opinions	Unmodified
2023(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2023(vii)	Major Programs (list):  Special Education Cluster (IDEA): ALN #84.27 and ALN #84.173 Education Stabilization Fund: COVID-19 - ESSER II - ALN #84.425D COVID-19 - ARP ESSER - ALN #84.425U COVID-19 - ARP ESSER Homeless - ALN #84.425W	
2023(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2023(ix)	Low Risk Auditee?	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**

None.

**HUBER HEIGHTS CITY SCHOOL DISTRICT  
MONTGOMERY COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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The prior audit report, as of June 30, 2022, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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# OHIO AUDITOR OF STATE KEITH FABER



**HUBER HEIGHTS CITY SCHOOL DISTRICT**

**MONTGOMERY 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 3/28/2024**

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  
[www.ohioauditor.gov](http://www.ohioauditor.gov)