



OHIO AUDITOR OF STATE
KEITH FABER



ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

| FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title | Federal Assistance Listing Number | Total Federal Expenditures |
|---|--|---------------------------------------|
| U.S. DEPARTMENT OF AGRICULTURE | | |
| <i>Passed Through Ohio Department of Education</i> | | |
| Child Nutrition Cluster: | | |
| National School Lunch Program | 10.555 | \$ 107,113 |
| COVID-19 National School Lunch Program | 10.555 | 71,549 |
| National School Lunch Program - Non-Cash | 10.555 | 26,001 |
| Total Child Nutrition Cluster | | <u>204,663</u> |
| COVID-19 Pandemic EBT Administrative Costs | 10.649 | 70,921 |
| Total U.S. Department of Agriculture | | <u>275,584</u> |
| U.S. DEPARTMENT OF EDUCATION | | |
| <i>Passed through Ohio Department of Education</i> | | |
| Title I Grants to Local Educational Agencies - 2022 | 84.010 | 48,425 |
| Title I Grants to Local Educational Agencies - 2023 | 84.010 | 168,186 |
| Total Title I Grants to Local Educational Agencies | | <u>216,611</u> |
| Special Education Cluster (IDEA): | | |
| Special Education Grants to States (IDEA, Part B) - 2022 | 84.027 | 41,200 |
| Special Education Grants to States (IDEA, Part B) - 2023 | 84.027 | 700,185 |
| COVID 19 Special Education ARP (IDEA, Part B) - 2023 | 84.027X | 164,224 |
| Total Special Education - Grants to States (IDEA, Part B) | | <u>905,609</u> |
| Special Education - Pre-School Grants (IDEA Preschool) - 2023 | 84.173 | 16,249 |
| COVID-19 Special Education - Preschool Grant (IDEA Preschool) - 2023 | 84.173X | 11,254 |
| Total Special Education - Pre-School Grants (IDEA Preschool) | | <u>27,503</u> |
| Total Special Education Cluster (IDEA) | | <u>933,112</u> |
| Title II, Part A, Supporting Effective Instruction State Grants - 2022 | 84.367 | 1,742 |
| Title II, Part A, Supporting Effective Instruction State Grants - 2023 | 84.367 | 47,120 |
| Total Title II, Part A, Supporting Effective Instruction State Grants | | <u>48,863</u> |
| English Language Acquisition State Grants | | |
| English Language Acquisition State Grants - 2023 | 84.365 | 13,725 |
| Student Support and Academic Enrichment Program - 2022 | 84.424 | 3,349 |
| Student Support and Academic Enrichment Program - 2023 | 84.424 | 15,491 |
| Total Student Support and Academic Enrichment Program | | <u>18,841</u> |
| COVID-19 Elementary and Secondary School Emergency Relief (ESSER II) Fund - 2022 | 84.425D | 25,689 |
| COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund - 2022 | 84.425U | 183,421 |
| COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund - 2023 | 84.425U | 391,886 |
| COVID-19 Elementary and Secondary School Emergency Relief (ESSER III) Fund State Activity Supplement - 2023 | 84.425U | 169,922 |
| Total COVID-19 Elementary and Secondary School Emergency Relief Fund | | <u>770,917</u> |
| Total U.S. Department of Education | | <u>2,002,069</u> |
| Total Expenditures of Federal Awards | | <u>\$ 2,277,653</u> |

The accompanying notes are an integral part of this schedule.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Rocky River City School District (the District) 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, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

The 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 E – FOOD DONATION PROGRAM

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

NOTE F - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2023
(Continued)**

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with ODE's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2023 to 2024 programs:

| <u>Program Title</u> | <u>AL Number</u> | <u>Amt. Transferred</u> |
|--|------------------|-----------------------------|
| Title I Grants to Local Educational Agencies | 84.010 | \$ 856 |
| Special Education Grants to States (IDEA, Part B) | 84.027 | \$ 10,945 |
| Title II Part A, Supporting Effective Instruction State Grants | 84.367 | \$ 11,188 |
| Student Support and Academic Enrichment Program | 84.424 | \$ 1,585 |
| English Language Acquisition State Grants | 84.365 | \$ 1,961 |

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OHIO AUDITOR OF STATE KEITH FABER



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

Rocky River City School District
Cuyahoga County
1101 Morewood Parkway
Rocky River, Ohio 44116

To the Board of Education:

We have audited, in accordance with 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, the major fund, and the aggregate remaining fund information of the Rocky River City School District, Cuyahoga County, (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 December 21, 2023.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes 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 were not 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 financial statements. 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2023

OHIO AUDITOR OF STATE KEITH FABER



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

Rocky River City School District
Cuyahoga County
1101 Morewood Parkway
Rocky River, Ohio 44116

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the Rocky River City School District's, Cuyahoga County, (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Rocky River City School District's major federal program for the year ended June 30, 2023. The Rocky River City School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

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

Basis for Opinion on the Major Federal Program

We conducted our 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, Cost Principles, and Audit 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 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 the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The District's 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 applicable to the 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 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 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 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 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 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 this 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 audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Rocky River City District School District, Cuyahoga County, (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 unmodified report thereon dated December 21, 2023. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2023

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material weaknesses in internal control reported for major federal programs? | No |
| (d)(1)(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under 2 CFR § 200.516(a)? | No |
| (d)(1)(vii) | Major Programs (list): | ALN # 84.425 - Education Stabilization Fund – Elementary and Secondary Education |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$ 750,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee under 2 CFR § 200.520? | Yes |

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

None

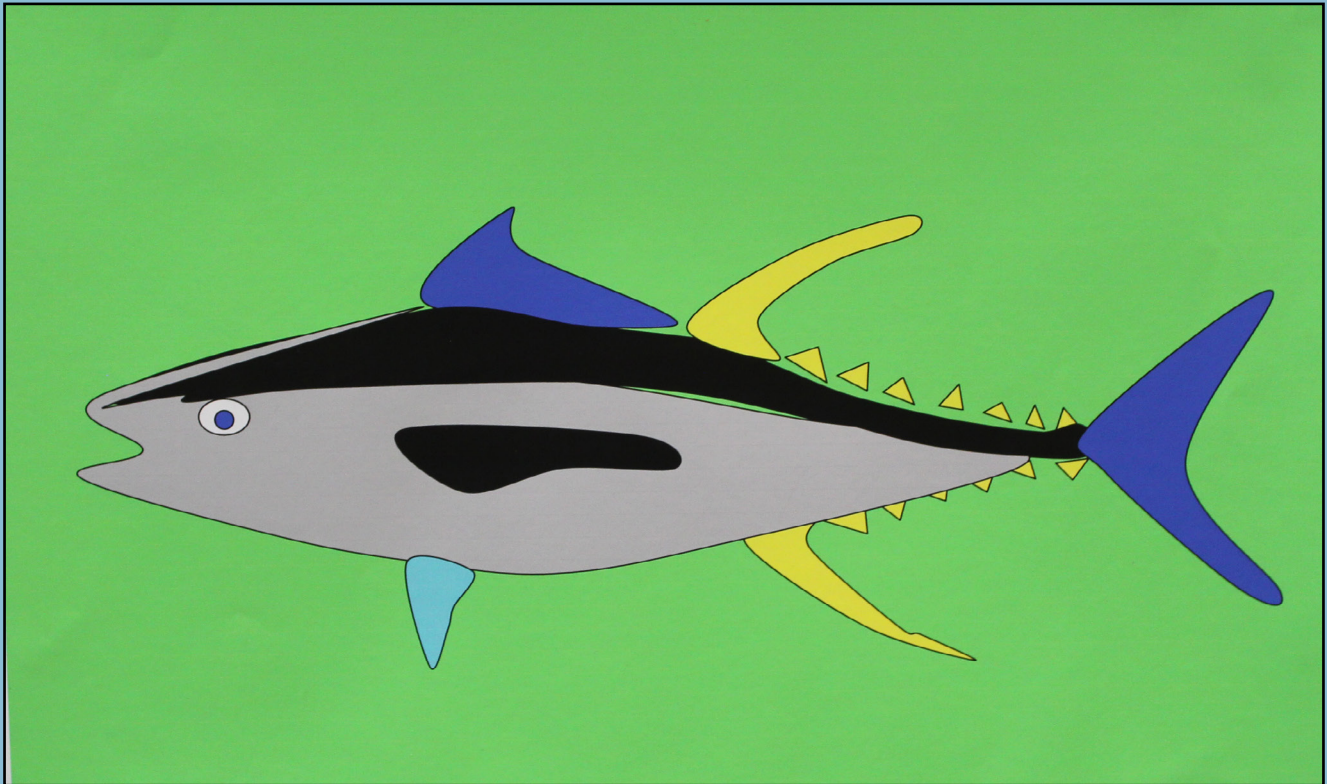
3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

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Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023



Phoenix Love
Grade 5

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County | Ohio

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County | Ohio



***Congratulations to the Class of 2023 and
best wishes for continued success in the future!***

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County | Ohio

Rocky River City School District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023
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ANNUAL COMPREHENSIVE
FINANCIAL REPORT

OF THE

ROCKY RIVER CITY
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2023

PREPARED BY
TREASURER'S OFFICE
GREG MARKUS, CPA, TREASURER/CFO

1101 MOREWOOD PARKWAY
ROCKY RIVER, OHIO 44116

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023

Introductory Section



Grace Quaiser

Grade 3

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County | Ohio



December 21, 2023

To the Board of Education, residents of the Rocky River City School District and other interested parties:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Rocky River City School District (the "District") for the fiscal year ended June 30, 2023. This ACFR, which includes financial statements and other financial and statistical data, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The report provides the taxpayers of the District, bond rating agencies and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the District's finances. This report is intended to contribute to exceeding the accountability requirements of the public. Copies will be distributed to rating agencies and other interested organizations. Copies will be made available to all residents of the District or any other interested party through the District's web site at www.rrcs.org, as well as through printed copies available at the Board of Education offices. Access to this report and all related audit reports will be made available on the Ohio Auditor of State's website at www.auditor.state.oh.us upon public release of the audit.

The District

History¹

The District has a long and rich tradition of academic excellence by providing a plethora of educational opportunities to its students. Early settlers in what is now Rocky River realized the importance of education for their children. The first grammar school in the area was built around 1840 at the corner of Wagar and Detroit Roads. The next schoolhouse, a one-room red brick structure, held eight grades and was built around 1890 at the northeast corner of Center Ridge and Northview Roads.

Rocky River's first high school was organized in 1892 at the site of the old Wooster School on Wooster Road. Five students graduated in 1897, the first graduating class. On January 7, 1919, a new high school at the corner of Lakeview and Riverview Avenues was opened with an enrollment of 45 students. The current high school was built in 1950 and completed and opened for students in 1951 and has been improved and updated periodically over the years. The District built a new middle school on the same location of the prior middle school that was finished and opened to students in 2000. Most recently in August 2017, the District finished major renovations of the first floor of the original 1930 portion of Beach School to house a modern early childhood center to service special needs preschool students.

¹McCauley, Ann. [Rocky River...Timeless](#). The Rocky River Library Foundation, 2002

Current Organization

The District is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. Under Ohio law, the District is a separate and distinct unit of government with its own taxing authority. The Rocky River Board of Education is a five member board, elected at large, with staggered four year terms.

The District is located in a suburban area west of Cleveland, Ohio and encompasses the entire City of Rocky River and a small portion of the City of Fairview Park. The property tax base is primarily residential with a significant amount of retail commercial property. The District serves 2,644 students ranging from Pre-Kindergarten through Twelfth Grade

The Reporting Entity

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

The District is associated with Connect and the Ohio Schools Council Association, both jointly governed organizations; the Suburban Health Consortium and the Ohio Schools' Council Workers' Compensation Group Rating Program, both insurance purchasing pools; and the Rocky River Public Library, a related organization.

Demographics, Economic Condition and Outlook²

The 2020 U.S. Census data reports a population of 21,755 in the City of Rocky River with 10,450 housing units (2021 data). The population estimate as of July 1, 2022 was 21,346. The City of Rocky River is approximately 4.7 square miles in size. The median household income per the most recent data available was \$83,929 (in 2021 dollars), while the per capita income was \$60,448, with 5.2% of persons in poverty. The median home sold price was \$355,000 as of October 2023, while the median listing price was \$425,000 (\$186 per square foot). This is a +9% trend on the median listing price year over year. By way of comparison, in 2012, the median sale price for a home was \$212,500. As of December 31, 2020, the median sale price was \$246,000. Owner-occupied housing units made up 71.0% of all housing units, while renter-occupied units made up 29.0%.

According to the 2021 American Community Survey 5-Year Estimates, the median age in Rocky River was 44.0 years of age. Families (non-single residences) represented 57% of the households, with 45.3% comprised of married couples, and 25.2% with children under the age of 18 living with them. 4.9% had a female householder with no spouse present, and 3.9% had a male householder with no spouse present. 22.4% of the population comprised of an individual under 18 years of age, and 24.2% were individuals 65 years of age or older. The racial makeup of the city of those reporting one race or multi-race was 96.1% White, 2.5% African American, 2.6% Asian, 0.4% Native, 1.9% Hispanic, and 2.3% multi-racial. There were 9,704 households, with 2.19 persons per household,

² Primary sources of data used for this section are https://www.realtor.com/realestateandhomes-search/Rocky-River_OH/overview and <https://www.census.gov/quickfacts/fact/table/rockyrivercityohio/INC110219>, and <https://data.census.gov/table/ACSST5Y2021.S0101>.

Additionally, the City had an employed civilian population ages 16 years and over of approximately 10,831 with the occupational makeup being 60.3% management, business, science, and arts occupations, 9.5% Service occupations, 21.7% Sales and office occupations, 2.9% Natural resources, construction, and maintenance occupations, and 5.6% Production, transportation, and material moving occupations. Regarding educational attainment for those 25 years+, 98.0% are a high school graduate, and 62.4% have at least a bachelor's degree. Businesses within the community are predominantly retail and service oriented.

The District received 77% of its governmental activities revenues from local property tax collections. Therefore, the long-term financial health of the District is very dependent on its tax base. The total assessed valuation of the District's tax duplicate has risen 55% over the last ten years. The increased value in the tax duplicate is due primarily to revisions in property values made by the County Auditor every three years as well as some new construction value, although assessed values had decreased in certain years during this timeframe due to the elimination of tangible personal property values from the tax duplicate. The most recent sexennial property reappraisal that took effect in January of 2019 produced an increase in assessed valuation of 16.7% for tax year 2018/collection year 2019. The most recent triennial update that took effect in January of 2022 produced an increase in assessed valuation of 17.5%.

The City of Rocky River is almost completely developed, so future assessed valuation increases will come primarily from property value changes. There may also be some growth from the demolition of existing commercial and residential building stock and the subsequent redevelopment of such property, as this is common in fully-developed suburban areas like Rocky River. There are no major manufacturing plants located within the District's boundaries. In terms of assessed dollar value, the largest real property taxpayer owns approximately 1.67% of the total real property assessed valuation within the District.

Major Initiatives - Fiscal Year 2023

During fiscal year 2023, the District continued working towards the goals as outlined in the District's Strategic Plan that was adopted in fiscal year 2009. This strategic plan outlines actions designed to achieve desired outcomes. It is a statement of the Rocky River City School District's mission, beliefs, and goals. It defines what we as a community envision for the future of our schools, and details objectives and strategies to guide us on our journey. Approved by the Board of Education on June 25, 2009, this Plan is meant to serve as the compass by which the District will chart its course for the next ten years. As the 2014-15 school year was the mid-point of the ten year strategic plan lifecycle, the District undertook a comprehensive update process to realign and adjust the functional strategic area results that will be achieved by 2019-20. This plan was carried forward for the subsequent few years as it was still relevant and effective, but an update of this plan was delayed due to the pandemic. The Board is currently performing a comprehensive review and update of this plan that is expected to be finalized in early 2024. The Strategic Plan, as adopted and amended, is as follows:

BELIEFS

We believe ...

- Students are the heart of our purpose.
- Student success requires a partnership among family, school and community.
- A Rocky River education empowers values, inspires curiosity and encourages talents that lead to success.
- High expectations lead to high achievement.

Rocky River Schools...

Globally Competitive • Exceptional Opportunities • Caring Environment • Successful Students

- Lifelong learners thrive as they embrace the changing global society.

An exceptional school district demonstrates all of the above.

STRATEGIC OBJECTIVES

- All students will engage in contemporary, globally competitive curricular and co-curricular programs of excellence.
- All students will achieve their educational goals incorporating the highest international standards.
- All students will participate in a student-centered environment that addresses educational, social, and emotional needs.
- All students will learn through lessons and experience that communication is open, sincere, timely, and responsive.
- All students will attend schools that are state-of-the art facilities.
- All students will learn in an environment that is technologically competitive on a global level.

COMMUNICATIONS

Proactively share comprehensive and timely information with all stakeholders about updates on progress in achieving our mission and the opportunities that our school district provides.

- The District website is the primary source of information about District events/accomplishments and curricular/extracurricular opportunities for students.
- Relevant safety and security information is provided to stakeholders in a timely fashion.
- Legislative information that may impact the District on a local, state, or federal level is communicated to stakeholders.
- Updates on the progress and status of achieving the District's strategic objectives and mission are accessible to stakeholders.

CURRICULUM and CO-CURRICULUM

Develop and implement 21st century curricula, support systems, and co-curricular programming to ensure the highest expectations of excellence in an increasingly interconnected world.

- Career pathways are illuminated and explored enabling students to succeed as independent, self-sufficient citizens in a dynamic world.
- Students understand their learning process and their progress, and necessary data are communicated and used to facilitate each child's growth and development.
- Students are self-aware and socially and emotionally prepared to persevere in an interconnected and competitive world.
- Students understand, and are contributing participants in, a diverse, global setting.

- Curricula, instruction and assessment are aligned and articulated, and prepare students for the rigors of the 21st century global economy.

FACILITIES

Continue to improve and maintain facilities that meet our mission.

- School buildings and grounds use creative strategies to promote community and foster student interaction.
- District facilities continue to enhance exemplary curricular and co-curricular opportunities for all students.
- A facilities master plan provides a blueprint for buildings and systems that support student success, and enhance campus safety and accessibility.
- The facilities master plan uses nontraditional funding sources and maximizes operational efficiencies.

FINANCE

Provide traditional and nontraditional fiscal resources and efficiencies to meet our mission of excellence to support the other strategies.

- Feasible alternative revenue streams supplement traditional funding sources.
- Operational efficiencies and cost-containment measures are instituted, based on industry standards and benchmarks, to optimize resources for District programs.
- Multiple channels are used to inform the community about the District's financial status and the Ohio school finance environment.
- Accelerated funding of the District's cash reserves ensures financial stability, observes internal benchmarks and avoids detrimental impact to educational outcomes.
- A dedicated revenue stream is established to sufficiently provide for maintenance and improvement of the District's capital assets.

HUMAN RESOURCES

Recruit, hire, and retain exceptional staff to accomplish our mission.

- A comprehensive approach is in place, includes stakeholders, and assures the District continues to attract, hire, and retain exceptional employees.
- Administrators research, promote and communicate available, pertinent professional development opportunities for employees.
- Opportunities are offered to enhance relationships between District employees.
- Wellness programs promote improved health among all members of the District.
- Human Resource operations are efficient, cost effective, and sustainable.

TECHNOLOGY

Maximize the utilization and implementation of current technology to provide the students and staff training necessary to support achievement of our mission and strategic objectives.

- Technological literacy is expected and promoted throughout the District to deploy and utilize resources in an effective, consistent, and coordinated manner.
- The technology architecture is proactively maintained and enhanced to support operations of the District.
- All students have appropriate and readily available access and opportunity to use technology, and are empowered to be responsible digital citizens.
- Students have the resources necessary to develop the current technology skills required for college and career readiness.
- Technology enhances the safety and security of students and staff.

Goals for 2024

One of the primary goals for 2024 is to update and “refresh” the aforementioned Strategic Plan to address the realigned and updated results for the functional strategic areas. This update is also expected to lead to a facilities study to plan for future capital plant needs.

In addition to this goal, the following financial goals will be addressed:

- To effectively use District resources to assure the highest quality educational program while attempting to meet the District’s revised financial plan. This includes working towards successfully managing funds that will be generated from the additional 4.9 mill combined operating (4.65) and permanent improvement (0.25) property tax levy that was passed in November of 2022 to support the District’s programming and operations by providing financial stability through at least fiscal year 2027. This will also include closing out federal funding received through the various Covid-19 related funding bills, most notably ESSER II and the American Rescue Plan (ARP). This will include prioritizing curricular needs such as all-day kindergarten, expansion of course offerings such as world language, career tech education, and an increased emphasis on college preparation programming through Ohio’s College Credit Plus program, amongst other programmatic improvements. This will be accomplished in large part by carefully developing, monitoring and adjusting short-term and long-term financial projections and expenditures based on educational needs and objectives and attempting to anticipate and react to various outside factors such as state funding changes and major cost drivers. A retirement incentive offered to teachers with a deadline of January 10, 2020 contributed to this goal by incentivizing additional teachers to retire as of June 2020, therefore allowing for cost savings with replacement hiring and possible opportunities for realignment of staffing levels. A similar retirement incentive was offered for the 2023-24 school year for retirements effective June 2024 for those teachers with 36 or more years of service credit.

- To continue to educate the electorate of the District on the District’s financial situation and its impact on the future prosperity and financial stability of the District; to communicate the District’s dependence on local taxpayer support and current issues with the state funding; garner input from knowledgeable citizens and other experts in the community regarding local economics; and more effectively share the District’s stewardship and effective use of tax dollars through modern communication methods and platforms (e.g. social media) to reach a larger portion of stakeholders. This would include the continued publication of a Popular Annual Financial Report (PAFR) that commenced for fiscal year 2022, and was continued for fiscal year 2023.
- To continue to effectively address the challenges that came out of the COVID-19 pandemic regarding student and staff safety, student learning challenges, and the unexpected financial pressure that the pandemic and higher inflation have brought.
- To receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and Auditor of State Award with Distinction for this fiscal year 2023 ACFR.
- To continue to assure that the District’s property tax base remains strong and stable by working through economic issues with city and county governments, the business community, and individual property owners.
- To continue to effectively and efficiently utilize and maintain District facilities that were substantially improved with the \$42.9 million bond issue that was approved by the voters in May 2010 as part of the District’s Master Plan for facilities. This goal will include the continued development and implementation of a five-year rolling capital plan, supported by Permanent Improvement millage that will be used as the roadmap to reach this goal. It will also lead to a comprehensive facilities study that will address physical plant needs for the medium – long-term.

Financial Policies Impacting the Financial Statements

The Board of Education approved the District’s Ten-Year Strategic Plan (the “Plan”) in fiscal year 2009 and updated components of the plan in 2015. The Plan (goals of which are described above) serves as a roadmap for allocating resources to achieve desired outcomes. The District recently completed all significant improvements called for under the comprehensive Facilities Master Plan as outlined in the Plan, developed to ensure the cost-effective use of facilities consistent with its educational programs. Reviews and recommendations for programmatic changes, student reassignments, and building reuse or closings are all considered in the context of the Plan and have a significant financial impact as they relate to the District’s education facilities and allocation of resources.

The Board of Education made a policy decision in the spring of 2010 to utilize interest rebates from the federal government from interest that the District would be paying on Qualified School Construction Bonds (QSCBs) and Build America Bonds (BABs) for receipt to the general fund, as allowable by current federal regulations, for four full calendar years (covering five fiscal years) in order to sustain the District’s operations. This additional general fund operating revenue source ceased with the payment received in November, 2014, and then reverted to the bond retirement fund for future debt service payment purposes starting with the last BAB subsidy payment received in April 2015. With a current refunding of the BABs to tax-exempt bonds being effectuated in December of 2014, direct subsidies on those bonds will no longer be received, but direct subsidies on the QSCBs are still expected to be received as authorized by the federal government and are anticipated to be used exclusively for debt service purposes.

The District has also executed two advance refunding's, one in 2017, and another one in 2021, in order to provide economic savings to district taxpayers. The 2017 refunding allowed the District to reduce its bond millage by one full mill for tax year 2021/collection year 2022. This reduction alleviates taxpayer burden, which in turn should assist in obtaining voter approval for an additional levy request.

Effective January 1, 2014, the Board of Education made a policy decision to move ½-mill of inside property tax millage to the permanent improvement fund from the general fund. Permanent improvement fund expenditures are generally restricted to significant capital improvements and equipment purchases with an estimated useful life of five years or longer. This inside millage is expected to generate approximately \$546,000 annually based on the District's valuation for collection year 2023.

During fiscal year 2020 and into early 2021, the Board followed the recommendation of the Treasurer/CFO in not taking on additional debt for certain capital projects such as HVAC improvements, and instead realigned and adjusted the capital/permanent improvement forecast and supplemented with one-time revenues to allow for these projects to be paid for in cash without causing short-term budgetary distress. Further, for fiscal years 2022 and 2023, the District had budgeted a large portion of its Covid-19 relief funding (ESSER II and ARP) to pay for tutor staff that was previously paid from the General Fund in order to relieve the General Fund and extend the current levy cycle for one full year. This use of one-time federal funds for current expenditures was in direct response to the May 2021 levy failure.

The District executed a \$2.8 million Permanent Improvement Tax Anticipation Note borrowing in March of 2023 for the purposes of funding various capital projects. Even with a rising interest rate environment, the District's strong credit standing and financial position allowed for a competitive interest rate of 4.41% over 10 years. This compares to investment rates that are currently at or over 5% for most short – medium term investments.

Long-Term Financial Planning

As part of the District's long-term planning, the Treasurer/CFO prepares a five-year financial forecast that is reviewed and approved by the Board of Education. This document provides a snapshot of projected revenues and expense over the next five years and is accompanied by financial assumption notes. The Board of Education reviews this document on a semi-annual basis for changes that might impact their financial decisions.

The Treasurer/CFO also prepares and updates a multi-year capital/permanent improvement forecast that is periodically reviewed and updated by the Board of Education and Administration to aid in long-term capital planning.

A formal policy was adopted by the Board of Education during fiscal year 2014 to reserve and restrict a minimum level of operating cash in order to mitigate the risk of a funding shortfall and to comply with best practices as established by the GFOA and other reputable sources as they related to sound fiscal management of an organization. The current intent is to reserve a minimum of \$175,000 per year until an amount equal to 2 mills of property valuation is reached (approximately \$2.638 million based on the projected property valuation for collection year 2028). Further, the Board policy requires a majority vote to release any reserved funds upon recommendation of the Superintendent. The Board and Administration will also look at opportunities to accelerate the funding of this reserve amount based on significant and unexpected one-time revenue sources or significant unanticipated savings from various budget areas, or by other means, as this acceleration is specifically called for as part of the realigned and updated strategic plan results mentioned previously.

Financial Information

Internal Accounting and Budgetary Control: In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing the financial statements and maintaining the accountability of assets. The concept of reasonable assurance is based on the assumption the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. Further, the District has been utilizing an automated vendor payment auditing system that reviews every vendor disbursement run through the system to verify compliance with laws and regulation and reviews for indications of fraudulent activity. This automated system was expanded recently to include payroll disbursements. These systems, along with the manual auditing of each voucher prior to payment, as well as multiple levels of review of and segregation of duties over revenue collections and investments ensures financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for the fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Fiscal Officer of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Fiscal Officer must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all District funds. All operational department purchase order requests must be approved by the Executive Director of Human Resources and Support Services, while site-based purchase orders are reviewed by individual school principals. Building fund and/or permanent improvement funds requisitions/purchase orders are typically reviewed by the Superintendent or Executive Director of Human Resources and Support Services while requisitions/purchase orders against grant funds are reviewed by designated grant managers responsible for administering the goals of the grant as well. All requisitions/purchase orders are then reviewed by a Treasurer's Office staff member and the Treasurer/CFO, and then certified for availability of funds. Necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations to date. The accounting and payroll systems were upgraded in fiscal year 2020 to provide enhancements and efficiency to the financial reporting process. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. The Finance Committee of the Board of Education typically meets monthly at which time they review monthly and fiscal year-to-date financial reports. As an additional safeguard, all employees are covered by commercial crime and dishonesty policy, and certain individuals in policy making roles are covered additionally by a separate limit bond.

The basis of accounting and the various funds utilized by the District are fully described in Note 2 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Reporting

The District's basic financial statements report on the District's financial activities as follows:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District has no business-type activities.

Fund financial statements: The focus of fund financial statements is on major funds rather than reporting funds by type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons: These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion is presented in the financial section of this report and provides an assessment of the District finances for fiscal year 2023. This transmittal letter is intended to be read in conjunction with the District's MD&A.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. The Auditor of State of Ohio rendered an opinion on the District's financial statements as of and for the year ended June 30, 2023. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the year 1979.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the Rocky River City School District for its Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022.

This was the thirty second year that the Rocky River City School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such a report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. This Certificate is the highest form of recognition available for governmental accounting and financial reporting. Attainment of this Certificate represents a substantial accomplishment for any governmental entity.

Rocky River Schools...

Globally Competitive • Exceptional Opportunities • Caring Environment • Successful Students

Acknowledgments

The publication of this report continues in the District's tradition of providing a high level of accountability of the District's finances to taxpayers, investors and other internal and external users of such information. This accomplishment would not have been possible without the support and efforts of Treasurer's office staff members Dale Cummins, Marty Marflak, and Margaret Donnelly, as well as administrators and other employees of the District. Assistance of the County Fiscal Officer's office staff and other outside agencies made possible the fair presentation of statistical data provided in this report.

Special thanks are extended to the CPA firm of Julian & Grube, Inc. for their technical assistance in preparing this report, as well as to Greg Murphy, the District's Communications Specialist, for designing the covers and divider pages of this report.

The Board of Education's commitment to excellence to the District in general, and support for this project in particular, are sincerely appreciated.

Respectfully Submitted,



Greg R. Markus, CPA, CGMA
Treasurer/CFO



Michael G. Shoaf, Ed.D.
Superintendent of Schools

Rocky River City School District

Principal Officials

June 30, 2023

Board of Education

Jessica Wilson President
Peter Corrigan Vice-President
Diana Leitch Member
Lauren Negrey Member
Addie Olander Member

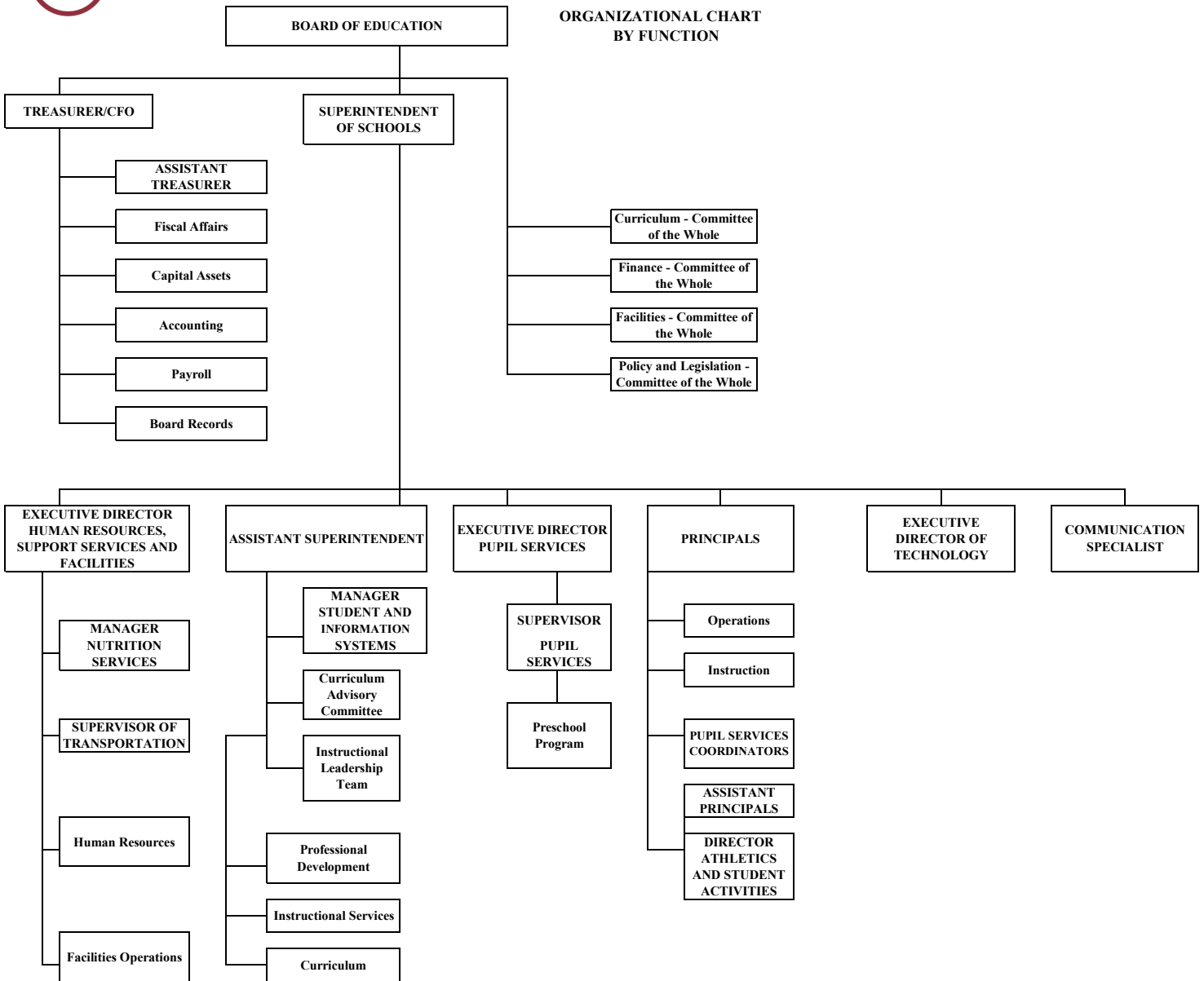
Administration

Michael G. Shoaf, Ed.D Superintendent
Elizabeth Anderson Assistant Superintendent
Samuel Gifford Executive Director of Human Resources and Support Services
Jennifer Norman Executive Director of Pupil Services
Dr. Bryan Drost Executive Director of Technology
Greg R. Markus, CPA, CGMA Treasurer/CFO



Rocky River
City School District

**ORGANIZATIONAL CHART
BY FUNCTION**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Rocky River City School District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

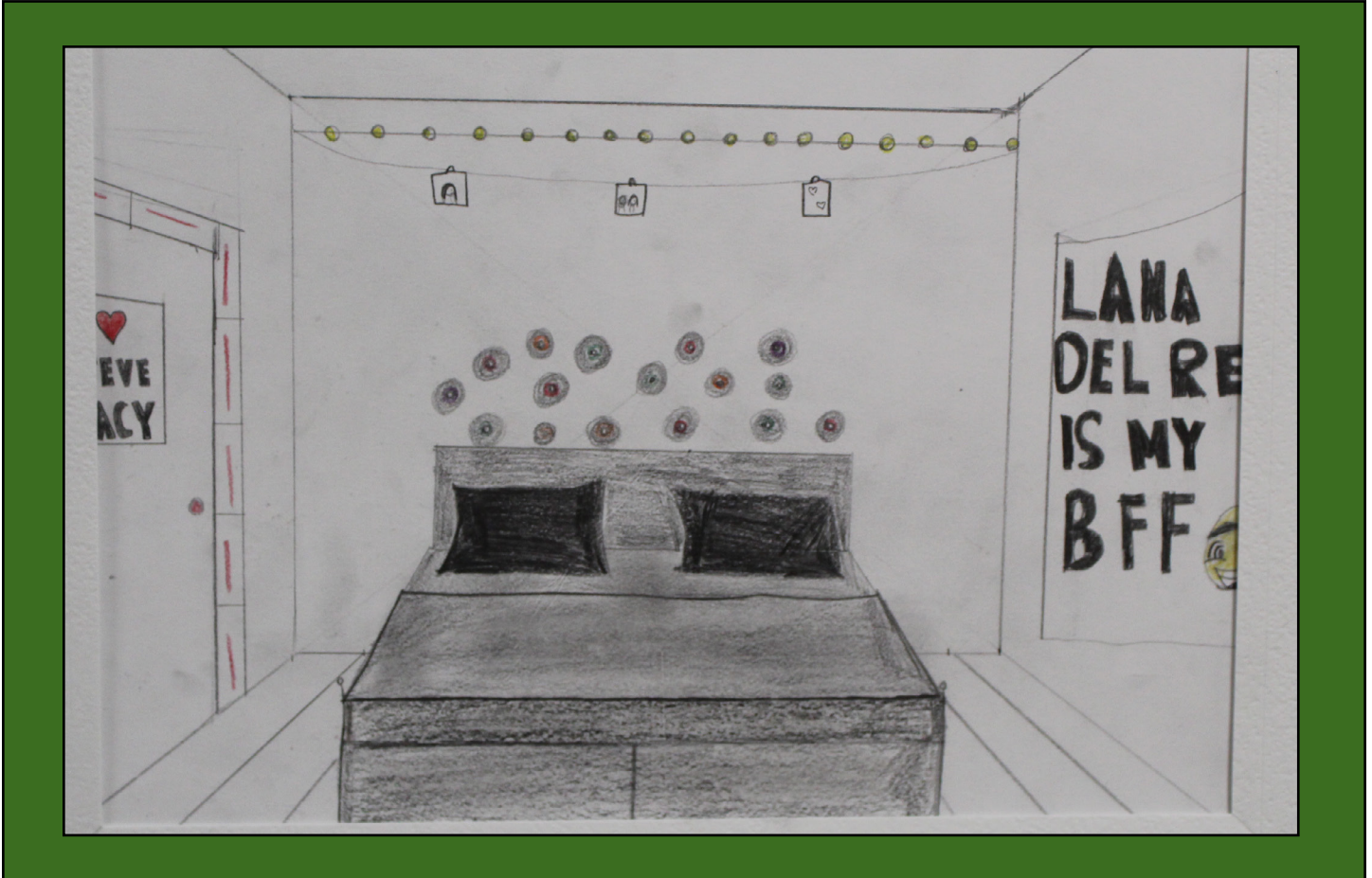
Christopher P. Morill

Executive Director/CEO

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023

Financial Section



Eda Yilmaz

Grade 7

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County | Ohio

OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

Rocky River City School District
Cuyahoga County
1101 Morewood Parkway
Rocky River, Ohio 44116

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Rocky River City School District, Cuyahoga County, Ohio as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 other post-employment benefit liabilities and pension and other post-employment benefit contributions 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 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 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 financial 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 will also issue our report dated December 21, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2023

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

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

Financial Highlights

Key financial highlights for 2023 are as follows:

In total, net position of the governmental activities increased \$6.1 million from a deficit of \$20.3 million at June 30, 2022 to a deficit of \$14.2 million at June 30, 2023.

Total governmental activities revenues increased \$5.1 million and total governmental activities expenses increased \$4.3 million for fiscal year 2023.

Program revenue, revenue from specific fees and grants, decreased to \$6.1 million from \$6.4 million in 2022. Over 89.47% of governmental activities revenues come from general revenues, primarily property taxes.

Total capital assets, net decreased from a restated \$49.5 million at June 30, 2022 to \$49.2 million at June 30, 2023.

The District's outstanding long-term obligations increased to \$90.3 million at June 30, 2023 from a restated \$74.8 million at June 30, 2022 due to an increase in the net pension liability.

The District's major governmental fund is the general fund. The general fund had \$49.7 million in revenues and other financing sources and \$45.0 million in expenditures and other financing uses. During fiscal year 2023, the general fund's fund balance increased \$4.7 million, from a balance of \$7.8 million to a balance of \$12.6 million.

Using these Basic Financial Statements

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

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

The statement of net position and the statement of activities include the District's programs and services, including instruction, support services (which includes the operation and maintenance of plant and pupil transportation), extracurricular activities and food service operations.

Reporting the District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental fund is the general fund.

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 all 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 services it provides.

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the financial statements.

Proprietary Funds

The District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for employee benefit programs.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Fiduciary Funds

The District acts in a trustee capacity as an agent for individuals or other entities. These activities are reported in custodial funds. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations. These funds had no activity or balances during the fiscal year.

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

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND 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. Table 1 below provides a summary of the District's net position for 2023, 2022 and 2021. Certain 2022 amounts have been restated as described in Note 3.A.

TABLE 1
Net Position
(In millions)

| | Governmental Activities 2023 | Restated Governmental Activities 2022 | Governmental Activities 2021 |
|--|------------------------------------|--|------------------------------------|
| <u>Assets</u> | | | |
| Current and other assets | \$ 69.8 | \$ 60.0 | \$ 55.8 |
| Net OPEB asset | 4.0 | 3.5 | 2.9 |
| Capital assets, net | <u>49.2</u> | <u>49.5</u> | <u>50.7</u> |
| Total assets | <u>123.0</u> | <u>113.0</u> | <u>109.4</u> |
| <u>Deferred outflows of resources</u> | | | |
| Unamortized deferred charges | 1.2 | 1.3 | 0.9 |
| Pension | 9.8 | 10.2 | 8.4 |
| OPEB | <u>0.8</u> | <u>1.0</u> | <u>1.1</u> |
| Total deferred outflows of resources | <u>11.8</u> | <u>12.5</u> | <u>10.4</u> |
| <u>Liabilities</u> | | | |
| Current liabilities | 6.5 | 6.0 | 5.8 |
| Long-term liabilities: | | | |
| Due within one year | 3.8 | 3.1 | 3.5 |
| Due in more than one year: | | | |
| Net pension liability | 42.2 | 26.4 | 49.3 |
| Net OPEB liability | 2.0 | 2.8 | 3.3 |
| Other amounts | <u>42.3</u> | <u>42.5</u> | <u>41.9</u> |
| Total liabilities | <u>96.8</u> | <u>80.8</u> | <u>103.8</u> |
| <u>Deferred inflows of resources</u> | | | |
| Property taxes and PILOTS | 39.4 | 36.0 | 34.0 |
| Lease | 1.7 | 1.9 | 1.9 |
| Pensions | 5.2 | 21.4 | 0.5 |
| OPEB | <u>5.9</u> | <u>5.7</u> | <u>5.2</u> |
| Total deferred inflows of resources | <u>52.2</u> | <u>65.0</u> | <u>41.6</u> |
| <u>Net Position</u> | | | |
| Net investment in capital assets | 13.8 | 13.9 | 13.6 |
| Restricted | 4.2 | 2.8 | 3.3 |
| Unrestricted (deficit) | <u>(32.2)</u> | <u>(37.0)</u> | <u>(42.5)</u> |
| Total net position (deficit) | <u>\$ (14.2)</u> | <u>\$ (20.3)</u> | <u>\$ (25.6)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Net Pension/OPEB Liability/Asset

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The net other postemployment benefits (OPEB) liability/asset 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 deferred outflows related to pension and OPEB and the net OPEB asset.

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

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

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

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

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2023, the District's liabilities plus deferred inflows of resources exceeded assets plus deferred outflows of resources by \$14.2 million.

Total Assets and Deferred Outflows of Resources increased by \$9.3 million. Current assets increased \$9.8 million primarily due to an increase in property taxes receivable of \$5.6 million due to a new levy taking effect. Capital assets decreased by \$0.3 million as capital depreciation/amortization expense exceeded additions. The District acquired \$3.9 million in capital assets in fiscal year 2023, but the related depreciation/amortization expenses related to the capital assets was \$4.2 million for fiscal year 2023. Deferred outflows related to the District's net pension and OPEB liabilities/asset decreased \$0.6 million from fiscal year 2022. Deferred outflows related to pension decreased primarily due to changes in assumptions by the State Teachers Retirement System (STRS). See Note 14 for more detail. Total assets include a net OPEB asset reported by STRS. See Note 15 for more detail.

Total Liabilities and Deferred Inflows of Resources increased by \$3.2 million. Long-term liabilities increased \$15.5 million as the District's net pension liability increased \$15.8 million. This liability is outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions to District employees, not the District. Current liabilities increased \$0.5 million during fiscal year 2023.

The net pension liability increased \$15.8 million or 59.85% and deferred inflows of resources related to pension decreased \$16.2 million or 75.70%. These changes were the result of changes at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). Primarily, net investment income on investments at both pension systems were negative for the fiscal year 2022 measurement date that are used for the fiscal year 2023 reporting. This caused a large decrease in their respective fiduciary net positions which was a drastic change from the previous fiscal year's large positive investment returns.

The restricted portion of net position of \$4.2 million at June 30, 2023 was an increase of \$1.4 million from June 30, 2022.

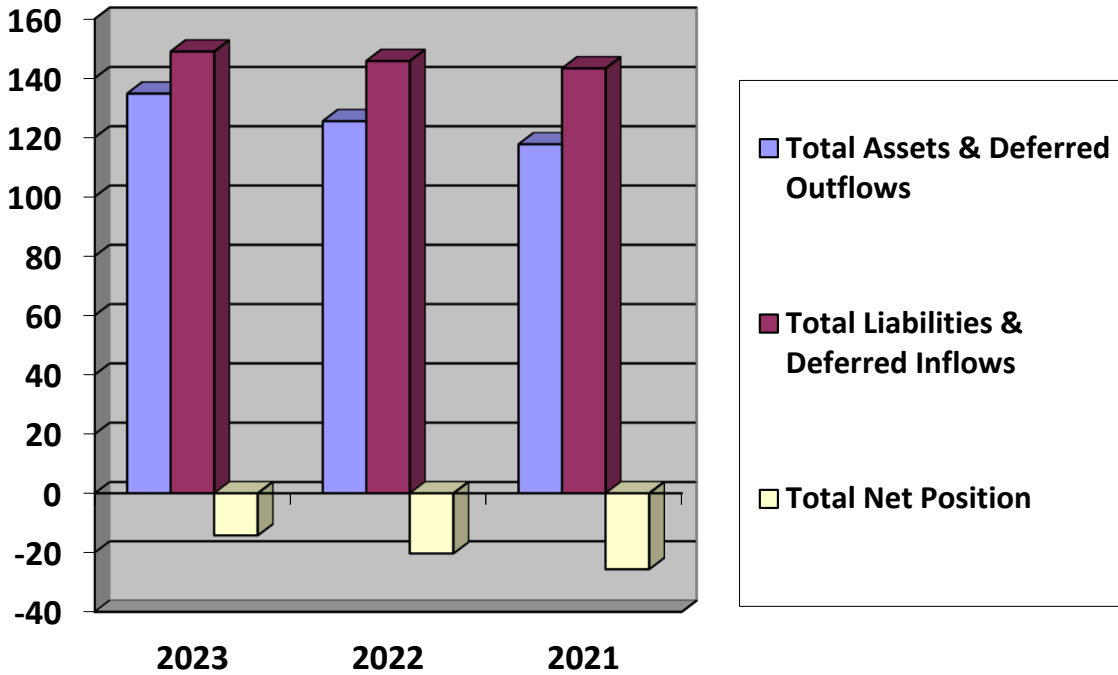
**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Graph 1 below shows the District’s governmental activities assets, deferred outflows, liabilities, deferred inflows and net position for fiscal year 2023, 2022 and 2021.

Graph 1
Net Position Governmental Activities
(In millions)

| | 2023 | 2022 | 2021 |
|--------------------------------------|----------|----------|----------|
| Total Assets & deferred outflows | \$134.8 | \$125.5 | \$119.8 |
| Total Liabilities & deferred inflows | 149.0 | 145.8 | 145.4 |
| Total Net Position | (\$14.2) | (\$20.3) | (\$25.6) |



**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Table 2 below shows the change in net position for fiscal years 2023, 2022 and 2021.

Table 2
Changes in Net position
(In millions)

| | Governmental Activities | | |
|--|-------------------------|------------------|------------------|
| | 2023 | 2022 | 2021 |
| <u>Revenues</u> | | | |
| Program revenues: | | | |
| Charges for Services and Sales | \$ 1.9 | \$ 1.7 | \$ 0.9 |
| Operating Grants and Contributions | 4.0 | 4.6 | 3.7 |
| Capital Grants and Contributions | 0.2 | 0.1 | 0.1 |
| General revenues: | | | |
| Property Taxes | 44.1 | 39.7 | 39.1 |
| Payments in lieu of taxes | 0.3 | 0.1 | 0.7 |
| Grants and Entitlements | 6.4 | 6.3 | 6.6 |
| Other | 0.6 | (0.1) | 0.1 |
| Total revenues | <u>57.5</u> | <u>52.4</u> | <u>51.2</u> |
| <u>Expenses</u> | | | |
| Program expenses: | | | |
| Instruction | 28.5 | 26.1 | 29.9 |
| Support Services: | | | |
| Pupils and Instructional staff | 4.2 | 3.7 | 4.0 |
| Board of Education, Administration, Fiscal and Business | 2.6 | 4.2 | 4.6 |
| Operations and Maintenance of Plant | 5.3 | 5.1 | 4.9 |
| Pupil Transportation | 2.1 | 1.8 | 2.0 |
| Central | 1.4 | 1.2 | 1.4 |
| Operation of Non-Instructional Services: | | | |
| Food Service Operations | 0.6 | 0.5 | 0.4 |
| Other Non-Instructional Services | 1.1 | 1.2 | 1.6 |
| Extracurricular Activities | 1.9 | 1.7 | 1.7 |
| Interest expense | 1.6 | 1.6 | 1.7 |
| Total expenses | <u>51.4</u> | <u>47.1</u> | <u>52.2</u> |
| Change in Net Position | 6.1 | 5.3 | (1.0) |
| Net Position, at beginning of year | <u>(20.3)</u> | <u>(25.6)</u> | <u>(24.6)</u> |
| Net Position, at end of year | <u>\$ (14.2)</u> | <u>\$ (20.3)</u> | <u>\$ (25.6)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Governmental Activities

During fiscal year 2023, change in net position increased \$6.1 million compared to a \$5.3 million increase in fiscal year 2022.

Total revenue for *governmental activities* increased \$5.1 million primarily due to an increase in property taxes. Property taxes increased as the District began collecting on a 4.9 mill levy passed in November 2022.

Overall, expenses of the governmental activities increased \$4.3 million or 9.13%. This increase is primarily the result of an increase in pension expense. Pension expense increase approximately \$4.1 million. This increase was the result of an increase in expenses incurred at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS) due to a decrease in net investment income on investments compared to previous years.

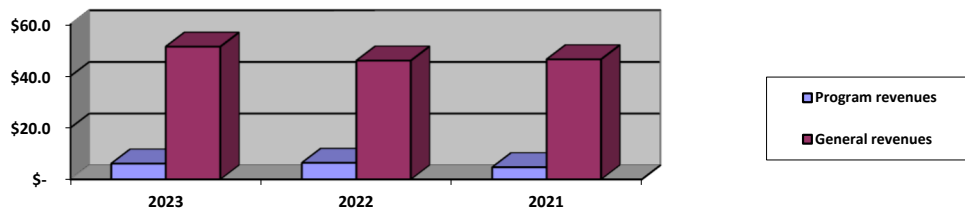
Total program revenues supporting governmental activities decreased from 2022; the percentage of program revenue support decreased to 11.77% from 13.38% in 2022. The vast majority of revenue supporting governmental activities, over 88.23%, continues to be general revenue. Total revenue was \$57.5 million for 2023. Of this amount, \$44.1 million was property taxes paid by the residents in the District. Only \$6.4 million (11.11% of total revenue) came from unrestricted state or federal sources (general revenue source).

Graph 2 below shows a comparison of program revenues versus general revenue for the governmental activities for fiscal year 2023, 2022 and 2021.

Graph 2
Revenues for Governmental Activities
(In millions)

| | 2023 | 2022 | 2021 |
|-----------------|-------|-------|-------|
| Program Revenue | \$6.1 | \$6.4 | \$4.7 |
| General Revenue | 51.4 | 46.0 | 46.5 |

Revenue For Governmental Activities (In Millions)



**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

The District’s property taxes increased \$4.4 million in 2023 as the District began collecting on a 4.9 mill levy passed by the District’s voters in November 2022. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become 0.5 mills and the owner would still pay \$35.00. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 76.71% of revenues for governmental activities for the District in fiscal year 2023.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. As stated earlier, fluctuations in pension expense reported under GASB 68 and GASB 75 make it difficult to compare financial information between years.

Table 3 below shows the governmental activities total cost of services and net cost of services for fiscal year 2023, 2022 and 2021.

Table 3
Governmental Activities
(In millions)

| | 2023 | | 2022 | | 2021 | |
|--|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| | Total Cost of Services | Net Cost of Services | Total Cost of Services | Net Cost of Services | Total Cost of Services | Net Cost of Services |
| Instruction | \$ 28.5 | \$ 26.0 | \$ 26.1 | \$ 22.8 | \$ 29.9 | \$ 28.5 |
| Support Services: | | | | | | |
| Pupils and Instructional Staff | 4.2 | 3.6 | 3.7 | 3.2 | 4.0 | 3.5 |
| Board of Education, Administration, Fiscal and Business | 4.7 | 4.8 | 4.2 | 4.2 | 4.6 | 4.6 |
| Operation and Maintenance | 5.3 | 4.9 | 5.1 | 5.0 | 4.9 | 4.5 |
| Pupil Transportation | 2.1 | 1.8 | 1.8 | 1.6 | 2.0 | 1.9 |
| Central | 1.4 | 1.4 | 1.2 | 1.2 | 1.4 | 1.4 |
| Operation of Non-Instructional Services: | | | | | | |
| Food Service Operations | 0.6 | 0.1 | 0.5 | (0.1) | 0.4 | 0.2 |
| Other Non-Instructional Services | 1.1 | (0.1) | 1.2 | 0.1 | 1.6 | - |
| Extracurricular Activities | 1.9 | 1.3 | 1.7 | 1.2 | 1.7 | 1.3 |
| Interest expense | 1.6 | 1.6 | 1.6 | 1.6 | 1.7 | 1.7 |
| Total | \$ 51.4 | \$ 45.4 | \$ 47.1 | \$ 40.8 | \$ 52.2 | \$ 47.6 |

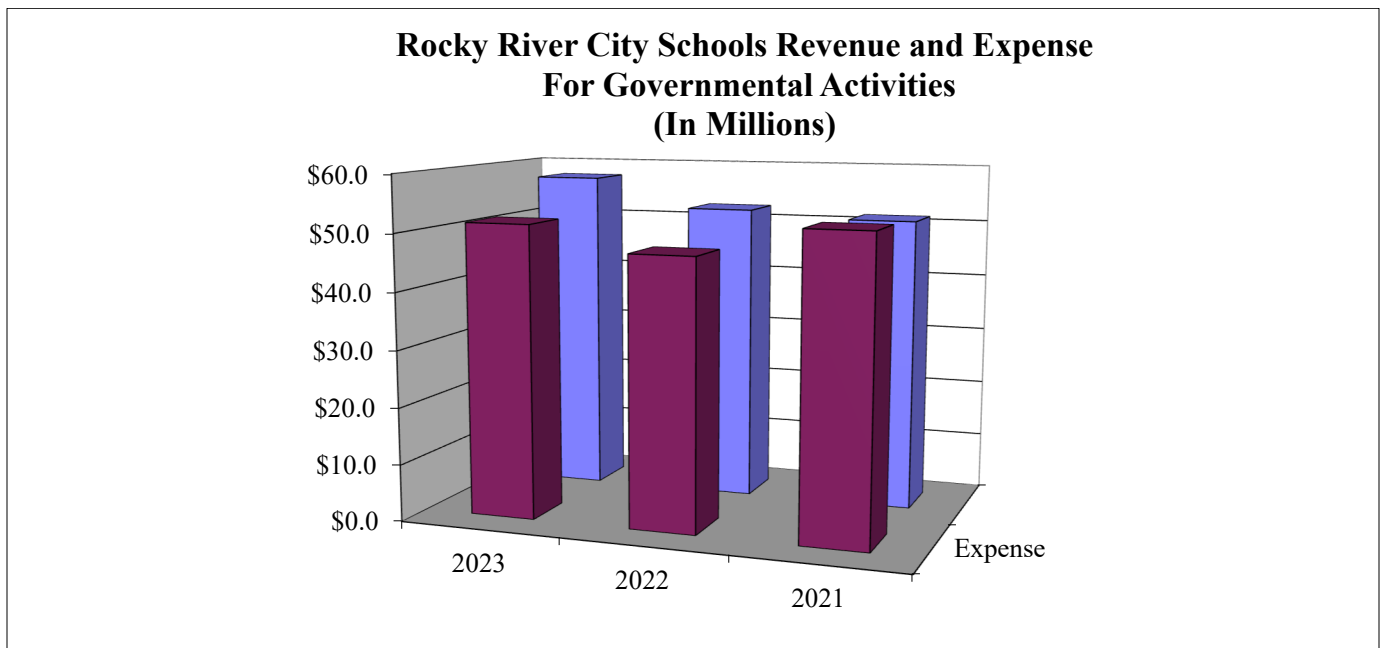
**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

Graph 3 below shows the governmental activities revenues and expenses for fiscal year 2023, 2022 and 2021.

Graph 3
Revenue and Expense for Governmental Activities
(In millions)

| | 2023 | 2022 | 2021 |
|---------|--------|--------|--------|
| Revenue | \$57.5 | \$52.4 | \$51.2 |
| Expense | 51.4 | 47.1 | 52.2 |



Program revenue for governmental activities in 2022 was \$6.4 million, or 12.14% of all revenue. For 2023, program revenue was \$6.1 million, or 10.61% of all revenue. The largest expense area was instruction, comprising \$28.5 million, 55.45% of all governmental activities expenses.

The District’s Governmental Funds

The District’s major governmental fund is the general fund. All governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$62.2 million and expenditures and other financing uses of \$55.5 million. The general fund balance increased \$4.7 million as revenues exceeded expenditures. General Fund revenues increased \$6.4 million due to increased property tax revenues as the District began collecting on a 4.9 mill levy. Expenditures increased \$2.4 million from 2022 due to increased as inflation rose.

General Fund Budgeting Highlights

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

During the course of fiscal year 2023, the District amended its general fund budget numerous times, none significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, actual budget basis revenue and other financing sources was less than \$0.1 million more than the original budget estimates of \$43.4 million. Final budgeted revenues and other financing sources were \$46.4 million which was \$0.1 million more than actual budget basis revenues and other financing sources of \$46.3 million mainly due to property tax collections were less than expected.

Total expenditures on the budget basis (cash outlays plus encumbrances) were \$45.0 million. Actual expenditures and other financing uses were lower than original budgeted expenditures and other financing uses of \$45.7 million and were also lower than final budgeted expenditures and other financing uses of \$45.3 million. The actual expenditures and other financing uses were less than the final budgeted amounts primarily due to less than anticipated spending on instruction.

Capital Assets and Debt Administration

Capital Assets

Table 4 below reports the District’s capital assets, net of accumulated depreciation, for fiscal year 2023, 2022 and 2021. The capital assets at June 30, 2022 have been restated as described in Note 3.

Table 4
Capital Assets, Net
(In millions)
Governmental Activities

| | 2023 | Restated 2022 | 2021 |
|--------------------------|---------------|------------------|---------------|
| Land | \$0.8 | \$0.8 | \$0.8 |
| Construction in progress | 1.1 | 0.0 | 0.0 |
| Land Improvements | 3.0 | 3.0 | 3.1 |
| Building/Improvements | 38.0 | 40.1 | 42.1 |
| Furniture/Equipment | 3.6 | 3.3 | 3.7 |
| Vehicles | 0.8 | 0.7 | 0.8 |
| Intangible right to use | 1.9 | 1.6 | 0.2 |
| <i>Total</i> | <u>\$49.2</u> | <u>\$49.5</u> | <u>\$50.7</u> |

At June 30, 2023, the District had \$49.2 million in total capital assets. This is the value of land, land improvements, building/improvements, furniture/equipment, vehicles, and intangible right to use assets after depreciation/amortization is taken off their value. The largest component of these capital assets is building/improvements.

Total capital assets decreased from \$49.5 million in 2022 to \$49.2 million for 2023. This decrease was the result of depreciation/amortization expense exceeding capital acquisitions. The District acquired \$3.9 million in capital assets in fiscal year 2023. For additional information on capital assets, see Note 9 to the basic financial statements.

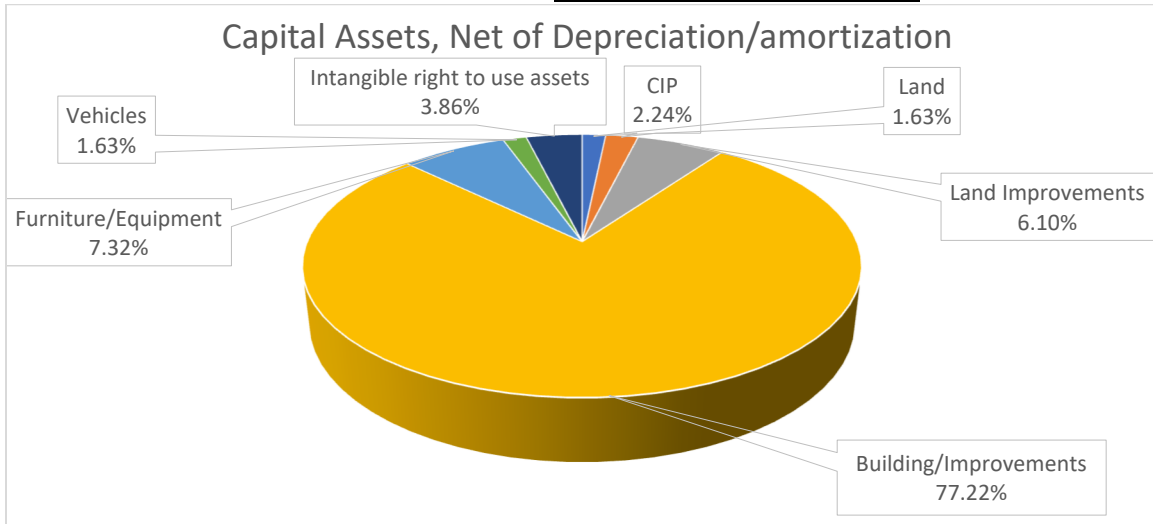
**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Graph 4 below shows the governmental activities capital assets by category and the percentage to total assets for each category for capital assets, net at June 30, 2023.

Graph 4
Total Governmental Activities Capital Assets, Net
(In millions)

| | June 30, 2023 | June 30, 2022 |
|--------------------------|---------------|---------------|
| Land | \$0.8 | \$0.8 |
| Construction in Progress | 1.1 | 0.0 |
| Land Improvements | 3.0 | 3.0 |
| Building/Improvements | 38.0 | 40.1 |
| Furniture/Equipment | 3.6 | 3.3 |
| Vehicles | 0.8 | 0.7 |
| Intangible right to use | 1.9 | 1.6 |
| Total | \$49.2 | \$49.5 |



Debt

At June 30, 2023, the District had \$29.3 million in bonds, \$0.1 million in lease payables, and \$1.7 million in SBITA payables outstanding. Table 5 below summarizes the District's bonds outstanding at June 30, 2023, 2022 and 2021. The outstanding debt at June 30, 2022 has been restated as described in Note 3.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

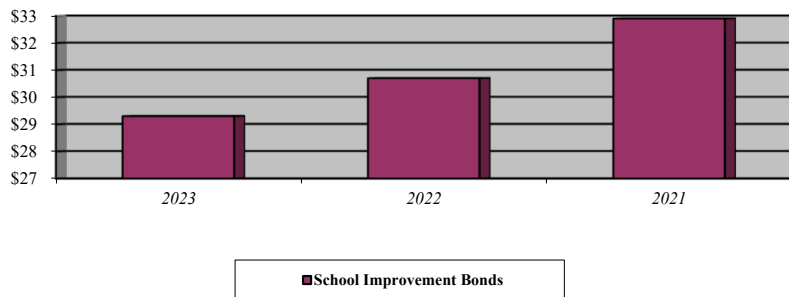
Table 5
Outstanding Bonded Debt at Year End
(In millions)

| | Restated | | |
|--|---------------|---------------|---------------|
| | 2023 | 2022 | 2021 |
| School Building General Obligation Bonds | \$29.3 | \$30.7 | \$32.9 |
| SBITA payable | \$1.7 | \$1.5 | \$0.0 |
| Lease payable | 0.1 | 0.1 | 0.2 |
| Total | \$31.1 | \$32.3 | \$33.1 |

The School Building Improvement Bonds were issued following passage of the bond issue in May 2010. The bonds were issued in September 2010 in the amount of \$42.9 million. The proceeds of the issue is funding the construction project in the District. During 2015, the District refunded a portion of the Series 2010 bonds with the Series 2014 School Improvement bonds in the amount of \$28.3 million. During 2017, the District refunded a portion of the Series 2014 bonds with the Series 2018 School Improvement bonds in the amount of \$7.4 million. During 2023, the District refunded a portion of the Series 2014 bonds with the Series 2022 Refunding bonds in the amount of \$12.4 million.

For additional information on debt, see Note 11 to the basic financial statements. Graph 5 below shows the District’s outstanding bonded debt at June 30, 2023, 2022 and 2021.

Graph 5
Outstanding Bonded Debt at Year End
(In millions)



**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

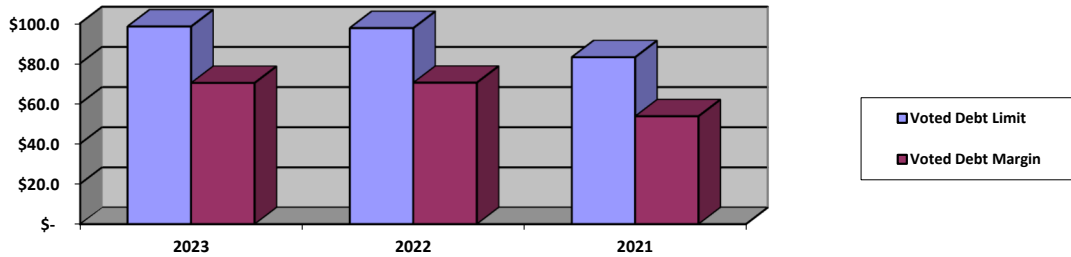
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Graph 6 on the following page shows the District’s legal debt limit and debt margin at June 30, 2023, 2022 and 2021.

Graph 6
Debt Limit and Margin
(In millions)

| | 2023 | 2022 | 2021 |
|-------------------|--------|--------|--------|
| Voted Debt Limit | \$98.4 | \$97.6 | \$83.1 |
| Voted Debt Margin | 73.1 | 70.4 | 53.9 |

Rocky River City School District Debt Limit and Margin (In Millions)



District Outlook

After several years of navigating financial challenges based on varying economic conditions and the continued erosion of state funding support, the Rocky River City School District is back on solid financial footing for the foreseeable future. As the preceding information shows, the District heavily depends on its property taxpayers. An operating levy of 4.9 mills was passed back in November of 2012 for a continuing period of time that has sustained the District’s programming and operations through fiscal year 2018. This levy was planned to enable the District to continue its currently excellent education program level for a three-year levy cycle. However, with the continued emphasis on controlling costs and becoming more efficient with available resources, the District was able to stretch the planned three-year levy cycle to five years. This was in spite of a loss of over \$800,000 in State of Ohio funding starting in July of 2012.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

With the U.S. and global economy continuing to deal with inflation running at elevated levels, the District continues to face challenges on multiple fronts pertaining to its operations and financial matters. Due to the need for additional operating funds for programming and ongoing capital needs, the Board of Education placed a combined 4.4 mill operating/0.5 mill permanent improvement levy on the May 2017 primary ballot that ultimately passed by a wide margin. This levy was projected to produce an estimated \$3.44 million annually, starting with first collection in January 2018, to fund the District's educational programs and operations for the next 3 – 4 years, as well as produce approximately \$390,000 for permanent improvement/capital needs. The District asked the voters to approve a 4.65 mill operating/0.25 mill permanent improvement levy on the May 2021 ballot, but it was rejected by the voters by a small margin. As the current five year forecast projects outward as of November 2021, the District again needed to ask voters to support an operating levy in 2022. The Board decided in June of 2022 to place a levy on the November 8, 2022 ballot for the same 4.65 mill operating/0.25 mill permanent improvement request. This levy request was ultimately successful and will provide the District with financial stability for the foreseeable future.

In looking forward to major expenditure areas, the District's personnel contracts and policies will be the main drivers. In April and May of 2017, the District agreed to a two-year contract extension with both the teacher's bargaining unit and classified OAPSE bargaining unit, respectively, to become effective on July 1, 2018. These extensions include base salary increases of 2% annually and retained step/experience increments from the prior contract while including additional employee health insurance concessions in the way of increased deductibles, co-pays and co-insurance maximums. These provisions have been applied to all non-bargaining employees as well. Most recently, the District reached an agreement for a contract extension with its teaching union in May 2018, and then subsequently agreed to an extension with both classified OAPSE unions. These extensions call for 2% base raises for a three year period starting July 1, 2019 and running through June 30, 2022. The extensions also call for additional insurance plan design changes that took effect on October 1, 2018 that increase employee out of pocket costs for deductibles and co-pays and institutes a wellness premium rebate/incentive program. The deductible portion will increase slightly in the third year of the agreement along with the premium rebate that can be earned for meeting certain wellness goals. Further, a one-year contract extension with the teachers' bargaining unit and OAPSE bargaining units providing for a 1% base salary increase and no changes to employee insurance cost sharing or plan design were approved in November 2021 and March of 2022, respectively. These terms were extended to the District's non-bargaining staff as well. Forward to the spring of 2023, the District was successful in negotiating with all three unions a four-year contract that provides for 2.75% base raises, along with insurance cost sharing changes. Non-bargaining personnel handbooks were also approved for a four-year period. These latest agreements will provide some certainty of personnel costs through FY 27.

These changes piggyback the District's decision to join the Suburban Health Consortium as of July 1, 2010, which enabled the District to self-fund employee medical and prescription drug insurance plan with a group of 5,000+ employees, and 15,000+ insured members. This arrangement has provided leverage in keeping annual increases to levels below general trending and even out increases when high claim years are experienced.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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The District also reduced projected salary costs by hiring in certificated staff replacements at a lower placement on the teacher salary schedule wherever possible. This was significant going into fiscal year 2012 as the District had 23 employees (17 teachers, one administrator and five support staff) retire as of the end of fiscal year 2011, producing over \$700,000 in first-year savings for the District. As the District continues to look for cost savings measures moving forward to fiscal year 2024 and beyond, the District is considering re-calibration of personnel levels based on student enrollment and programmatic needs as well as other operational efficiencies. These efforts include a one-time retirement incentive plan that was offered to teaching staff as of November 2019, which offered an additional contribution to a post-retirement health reimbursement account for an eligible teacher that would elect to retire or resign as of June 30, 2020, by providing their notice of retirement or resignation by January 10, 2020. During fiscal year 2021, the District had (13) teachers at or near the top end of the teacher pay scale retire or resign as well as (1) administrator retire. Based on the additional resignations and retirements above what was initially projected, the district reasonably projects an additional savings of \$300,000 - \$350,000 per year starting in fiscal year 2022 based on expected replacement salaries and benefits. With the most recent teacher contract starting on July 1, 2023, another one-time retirement incentive is being offered to teachers that will have 36 or more years of service credit as of June 30, 2024. This is expected to incentivize several teachers to consider retirement which should provide cost savings to the District.

Some of the District's facilities were in need of significant repairs and remodeling/redesign in order to be brought up to acceptable standards. Since the District did not, at the time, have a dedicated revenue stream or other resources to address these issues, the Board of Education placed a \$42.9 million bond levy before the voters in May of 2010 that passed by a significant margin. The plan for the use of these funds was a comprehensive one that covered the upgrade of virtually all buildings in the District (physical plant upgrades for the primary, intermediate and high schools and technology upgrades for the middle school) with the main emphasis being placed on the renovation and expansion of Rocky River High School to meet the needs of our students in order to provide them a 21st Century education. The construction phase for the renovated Board of Education administrative offices was substantially completed by July 15, 2011. The construction phases for Goldwood Primary School and Kensington Intermediate School were substantially completed by April, 2013, and December, 2012, respectively. The High School was substantially completed for the beginning of the 2013-14 school year in late August of 2013.

The bonds were subsequently issued in September of 2010 and included near zero-interest Qualified School Construction Bonds (QSCB's) and 35% rebateable Build America Bonds (BAB's) as authorized by the federal ARRA as well as traditional tax-exempt bonds. The BAB portion of the 2010 bond issue was refunded in December 2014, yielding a net present value savings to the District of just over \$1.1 million over the life of the bonds. A portion of these bonds (\$7.44 million) were then advanced refunded in March of 2018 for a net present value savings to the District of \$632,000. This refunding was made possible by the upcoming payoff of the District's 1998 bond issue in December 2018, the District's strong credit rating and favorable market conditions.

The District also completed a current bond refunding in July of 2021 for \$12.410 million of the outstanding 2014 refunding bonds to realize savings from lower interest rates. This refunding provided a gross savings of \$1,270,000 through the year 2040, with a net present value of \$930,000. This refunded issue also contains a prepayment option to provide another opportunity in the future should rates lower even further.

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023
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As mentioned previously, the District passed new millage in May of 2017 that included a portion (0.5 mill), as well as new millage of 0.25 mill in November of 2022, dedicated for permanent improvements. The District also receives funding from 0.5 mill of inside millage that was moved to permanent improvement purposes back in 2014 as well as net lease revenue from the long-term lease of a District facility currently not needed for educational purposes.

One recent project that was completed using permanent improvement fund resources through a lease/purchase obligation consisted of building improvements and renovations at the Beach Board of Education’s south wing in order to provide adequate space for the District’s special education preschool program. Another project that was funded through a lease/purchase borrowing and was recently completed was an energy conservation/capital improvement project that addressed needed upgrades to building lighting and HVAC systems throughout all of the District buildings. This energy project is already yielding substantial savings on energy consumption and costs, and is expected to do so going forward. There were also recent projects completed that included a new ornamental fence surrounding the high school stadium, a major facelift to the high school auditorium, needed masonry repair/restoration work on the high school and Kensington Intermediate school, as well as high school baseball dugout improvements and sanitary sewer improvements at Kensington Intermediate School. The fencing and auditorium portions of this project were funded in large part by private funds from The Rocky River Campus Foundation and generous individuals within the community.

The District continues to work on smaller-scale capital projects and major equipment replacements that were not addressed with the aforementioned bond issue such as an upgrade to the District’s food service server area and related equipment, as well as additional ADA-compliant seating at the high school stadium, a renovation of the middle school media center, and build-out of unfinished instructional space at the high school. The District issued \$2,800,000 of 10 year Permanent Improvement Tax Anticipation Notes in March of 2023 for the funding of these various capital projects plans to fund these improvements, with repayment to come from available cash in the permanent improvement fund produced by the inside millage and net lease revenue, along with funds to be generated from the aforementioned 0.5 mill and 0.25 mill permanent improvement levies.

Educationally, the District continues to perform at the highest level as determined by the State of Ohio, which is measured by an objectively defined set of criteria. A ten-year history of the District’s Performance Index Score (a weighted average of State “report card” performance levels across subject areas and each tested grade) is as follows:

| <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 111.3 | 107.1 | 107.1 | 109.4 | 108.0 | 109.4 | 101.8 | 103.9 | 108.0 | 110.2 |

The 110.2 earned for 2022-23 ranked third overall in the State of Ohio, and second in Cuyahoga County. The five-year graduation rate for the District was 100.0%, while the four-year graduation rate was 98.6%.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
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In its assessments for academic year 2012-13, the State of Ohio began implementing a number of changes in the way in which the performance of its school districts and their individual schools is to be measured and reported. The former designations, such as “Excellent”, were replaced with letter grades on performance indicators and several new measures. This new reporting was phased in over several years. The four components initially included on the new report card are Achievement (measuring absolute academic achievement compared to national standards of success), Progress (measuring the average annual improvement for each student), Gap Closing (measuring how well a school district or school is doing in narrowing gaps in reading, math and graduation rate among students according to socioeconomic, racial, ethnic or disability status) and Graduation Rate (measuring the percentage of students who entered the 9th grade and graduated in four and five years). Two additional components, K-3 Literacy (measuring the improvement in reading for students in kindergarten through 3rd grade) and Prepared for Success (measuring whether students who graduate are prepared for college or a career), were added for the 2015-16 academic year. An End of Course Retake Improvement standard was added for 2018-19, while 10th grade-specific standards were merged into the high school standards. The District’s overall component grade for achievement for 2018-19 was an A.

The Ohio General Assembly passed House Bill 82 in June 2021, which included changes to the Ohio School Report Cards for schools and districts. Governor DeWine signed the bill into law on July 1, and it became effective on Sept. 30, 2021. The key provisions of this bill reform Ohio’s school accountability system starting with the 2021-2022 school year. This reform was passed after years of collaborative research and design by education stakeholders, including the major education associations, business community and General Assembly. The Ohio Department of Education began working to implement these new reforms in October with the State Board of Education. A notable difference on the newly reformed report cards is the new style of rating. In the prior accountability system, the report cards had A – F letter grades. The new system will have ratings of 1 – 5 Stars. The report card components will be rated with 1 – 5 stars and more details can be found in the Component Rating Technical Documentation for the 2022-2023 school year. The District’s Achievement rating for 2022-2023 was five stars.

ROCKY RIVER CITY SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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(UNAUDITED)

The breakdown of the District's final student test results and performance index for the 2022-23 academic year from the Ohio Department of Education is summarized in the following charts:



Significantly exceeds state standards in academic achievement

Achievement

The Achievement Component measures students academic achievement using each level of performance on Ohio's State Tests.

Performance Index

The Performance Index measures the test results of every student, not just those who score proficient or higher. Schools and districts receive points on the index for every student who takes a test. The higher the performance level on the state tests, the more points awarded toward the index score. The index score is divided by the maximum possible score. Each year the maximum possible score is determined by the average of the highest 2% performance index scores in the state.

101.3%

110.2 of a possible 108.8

Calculation of the Performance Index for 2022-2023:

| Achievement Level | Pct of Students | | Points for this Level | | Points Received |
|-------------------|-----------------|---|-----------------------|---|-----------------|
| Advanced Plus | 6.9 | X | 1.3 | = | 9 |
| Advanced | 48 | X | 1.2 | = | 57.6 |

**ROCKY RIVER CITY SCHOOL DISTRICT
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**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

| Achievement Level | Pct of Students | | Points for this Level | = | Points Received |
|-------------------|-----------------|---|-----------------------|---|-----------------|
| Accomplished | 22.9 | X | 1.1 | = | 25.2 |
| Proficient | 15 | X | 1.0 | = | 15 |
| Basic | 4.2 | X | 0.6 | = | 2.5 |
| Limited | 2.9 | X | 0.3 | = | 0.9 |
| Untested | 0 | X | 0.0 | = | 0.0 |

110.2

Performance Indicators (Report Only)

The Performance Indicators measure reports the percent of students who have scored proficient or higher on state tests. This measure does not factor into the Achievement Component rating - the data is reported for informational purposes only.

| Third Grade | |
|-----------------------|-------|
| English Language Arts | 90.4% |
| Mathematics | 92.9% |
| Fourth Grade | |
| English Language Arts | 92.3% |
| Mathematics | 97.4% |
| Fifth Grade | |
| English Language Arts | 94.7% |
| Mathematics | 93.0% |
| Science | 92.5% |
| Sixth Grade | |
| English Language Arts | 89.7% |
| Mathematics | 92.0% |
| Seventh Grade | |
| English Language Arts | 93.0% |
| Mathematics | 85.0% |

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**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

| Eighth Grade | |
|--------------------------|-------|
| English Language Arts | 88.2% |
| Mathematics | 80.7% |
| Science | 94.3% |
| High School | |
| Algebra I | 96.4% |
| American US Government | 96.1% |
| American US History | 96.2% |
| Biology | 96.4% |
| English Language Arts II | 94.4% |
| Geometry | 92.6% |

Please visit <https://reportcard.education.ohio.gov/district/home/044701> for the complete District report card and links to all data subsets.

The District also continued moving forward in fiscal year 2023 with its strategic plan that was adopted in June of 2009. This has been the “roadmap” that the District has used to continue to move ahead in all areas of its operation. This plan was updated as part of a mid-term update in the spring of 2015 through the collaborative efforts of District board members, administration, parents and other interested community members and resulted in updated “action plan results” for the strategic areas of communications, curriculum & co-curriculum, facilities, finance, human resources and technology. A “refresh” of the strategic plan was anticipated for 2021, but was delayed due to pandemic issues. The Board is now on course to have an update to this strategic plan in early 2024.

In June 2005, the State Legislature made landmark changes to the State’s taxing structure with the passage of House Bill 66 that took effect July 1, 2005. Of the many changes to Ohio’s taxing structure, one of the most significant changes was the phase-out of the tangible personal property (TPP) tax on most businesses inventory, manufacturing machinery and equipment, and furniture and fixtures over four years at about 25% annually beginning in tax year 2006. Most new manufacturing machinery and equipment that would have been first taxable in tax year 2006 and thereafter is no longer subjected to TPP tax. Ohio School Districts were to be fully “held harmless” for lost revenue through tax year 2010 by the State. HB 1 signed into law by the Governor as of July 1, 2010 included a provision to extend the full (100%) reimbursement of “base year” valuation losses through fiscal year 2013. Reimbursements were then to be phased out starting in fiscal year 2014 through fiscal year 2019. The District began receiving these “hold harmless” payments in May of 2006.

However, the revenue guarantee through fiscal year 2013 was eliminated upon the adoption of Amended Substitute H.B. 153 that was signed into law on June 30, 2011. This house bill phases out the District’s personal property tax reimbursement and the utility deregulation/SB3/KwH tax reimbursement revenue sources by fiscal year 2013. The impact on the District’s revenues is a reduction of over \$821,748 for fiscal year 2012 and an additional \$445,684 in fiscal year 2013. The total reduction of revenue over four years of the District’s forecast is \$3,491,956 over what was estimated based on previous law. This House Bill also removed all provisions of the “Evidenced Based Model” (EBM) that was in law previously.

**ROCKY RIVER CITY SCHOOL DISTRICT
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**MANAGEMENT’S DISCUSSION AND ANALYSIS
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Amended Substitute House Bill 49, the State of Ohio’s biennial budget bill, covering fiscal years’ 2018 and 2019, was passed into law in June of 2017 to take effect on July 1, 2018. This budget bill allows for funding of public schools for the biennium. The effect on the Rocky River City Schools will be minimal as the base per-student funding amount increases very minimally, and the legislation contains a guarantee of fiscal year 2018 funding levels if any student enrollment decrease between fiscal year 2014 and 2017 is less than 5%.

On July 18, 2019, Amended Substitute House Bill 166 was signed into law for the new state biennium that took effect July 1, 2019. This legislation added “Student Wellness and Success Funding” for Ohio Districts, of which \$98,357 is anticipated to be received by the District in fiscal 2020, and \$138,507 being expected for fiscal year 2021. However, the District’s overall state foundation aid was reduced by approximately \$62,000 for fiscal years 20 and 21 due to a change in Ohio Administrative Code. Specifically, the state calculation of special education transportation in FY 2020 is now predicated on the greater of the state share index of the district or 25%. Prior to this change, this calculation was based on the greater of the state share index or 60%. This change will result in school districts that have a state share index less than 60% to see a drop in their special education transportation funding.

Based on the excellent work done by a group of school officials and state legislators under the Ohio Fair School Funding Plan (<https://sites.google.com/view/ohiofairschoolfunding/home?authuser=0>), the new state budget largely adopted this funding framework for the biennial state budget that started on July 1, 2021 under Ohio House Bill 110. This funding plan has provided a comprehensive cost model to calculate state funding for Districts throughout the state. With the new biennial state budget that went into effect as of July 1, 2023, the Fair School Funding Plan “phase in” was continued, with an update to 2022 as the “base cost year” vs. 2018, as well as a minimum state share percentage increase to 10% (previously 5%). Based on these changes, the District is now projected to realize a moderate increase in funding over the next several biennia as the funding factors continue to be phased in over a six year time horizon, as long as future legislatures continue this model of funding.

Based on all of challenges that the District faces, and in order to keep its excellent educational programming in place for the future, the District must continue to be diligent and thoughtful in its budget planning. As the district’s latest five-year forecast issued in November 2023 shows, the recently passed 4.9 mill combined operating/permanent improvement levy is expected to provide financial stability and opportunity for the next 5 years. The District’s current position both programmatically and financially is very strong. The current and historical five-year forecasts can be accessed at <https://reports.education.ohio.gov/report/finance-forecast-submissions>.

Contacting the District’s Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, creditors and the general public with an overview of the District’s finances and to show accountability for the money it receives. If you have any questions about this report or would like additional financial information about the District, please contact Greg R. Markus, CPA, Treasurer/CFO, Rocky River City School District, 1101 Morewood Parkway, Rocky River, Ohio, 44116 or by email at Markus.Greg@rrcs.org. You may also visit the District’s website at www.rrcs.org.

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2023

| | Governmental Activities |
|--|------------------------------------|
| Assets: | |
| Equity in pooled cash and investments | \$ 20,147,231 |
| Cash with escrow agent | 743,344 |
| Receivables: | |
| Property taxes | 46,687,661 |
| Accounts | 55,598 |
| Accrued interest | 39,380 |
| Intergovernmental | 288,433 |
| Prepayments | 68,191 |
| Materials and supplies inventory | 58,098 |
| Inventory held for resale | 26,223 |
| Net OPEB asset | 4,031,841 |
| Lease receivable | 1,700,749 |
| Capital assets: | |
| Nondepreciable capital assets | 1,930,392 |
| Depreciable capital assets, net | 47,295,493 |
| Capital assets, net | 49,225,885 |
| Total assets | 123,072,634 |
| Deferred outflows of resources: | |
| Unamortized deferred charges on debt refunding | 1,200,659 |
| Pension | 9,815,848 |
| OPEB | 785,658 |
| Total deferred outflows of resources | 11,802,165 |
| Liabilities: | |
| Accounts payable | 314,013 |
| Contracts payable | 398,760 |
| Accrued wages and benefits payable | 4,541,568 |
| Intergovernmental payable | 385,216 |
| Pension and postemployment benefits payable | 675,196 |
| Accrued interest payable | 160,266 |
| Long-term liabilities: | |
| Due within one year | 3,847,060 |
| Due in more than one year: | |
| Net pension liability | 42,243,970 |
| Net OPEB liability | 2,020,857 |
| Other amounts due in more than one year | 42,305,715 |
| Total liabilities | 96,892,621 |
| Deferred inflows of resources: | |
| Property taxes levied for the next fiscal year | 39,452,195 |
| Lease | 1,685,248 |
| Pension | 5,206,863 |
| OPEB | 5,862,373 |
| Total deferred inflows of resources | 52,206,679 |
| Net position: | |
| Net investment in capital assets | 13,838,050 |
| Restricted for: | |
| Capital projects | 953,686 |
| OPEB | 886,959 |
| Debt service | 1,680,576 |
| State funded programs | 87,788 |
| Federally funded programs | 58,135 |
| Food service operations | 166,028 |
| Student activities | 221,964 |
| Other purposes | 77,585 |
| Unrestricted (deficit) | (32,195,272) |
| Total net position (deficit) | \$ (14,224,501) |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Expenses | Program Revenues | | | Net (Expense) |
|--|----------------------|--------------------------------|------------------------------------|----------------------------------|-------------------------------------|
| | | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions | Revenue and Changes in Net Position |
| | | | | | Governmental Activities |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular | \$ 19,879,106 | \$ 676,971 | \$ 106,156 | \$ - | \$ (19,095,979) |
| Special | 7,374,779 | 35,099 | 1,405,634 | - | (5,934,046) |
| Vocational | 738,802 | - | 1,595 | - | (737,207) |
| Other | 557,507 | - | 295,271 | - | (262,236) |
| Support services: | | | | | |
| Pupil | 3,311,296 | 86,051 | 378,555 | - | (2,846,690) |
| Instructional staff | 856,400 | 2,673 | 43,605 | - | (810,122) |
| Board of education | 48,626 | - | - | - | (48,626) |
| Administration | 2,545,044 | - | - | - | (2,545,044) |
| Fiscal | 1,482,585 | - | - | - | (1,482,585) |
| Business | 603,132 | - | - | - | (603,132) |
| Operations and maintenance | 5,253,118 | 235,812 | 3,681 | 58,603 | (4,955,022) |
| Pupil transportation | 2,145,431 | 55,939 | 276,937 | 45,000 | (1,767,555) |
| Central | 1,366,412 | 7,002 | - | - | (1,359,410) |
| Operation of non-instructional services: | | | | | |
| Food service operations | 588,005 | 455,359 | 227,770 | - | 95,124 |
| Other non-instructional services | 1,157,012 | 9,082 | 1,051,190 | - | (96,740) |
| Extracurricular activities | 1,906,289 | 342,964 | 184,601 | 65,371 | (1,313,353) |
| Interest expense | 1,595,725 | - | - | - | (1,595,725) |
| Totals | \$ 51,409,269 | \$ 1,906,952 | \$ 3,974,995 | \$ 168,974 | (45,358,348) |

General revenues:

| | |
|---|------------------------|
| Property taxes levied for: | |
| General purposes | 40,595,644 |
| Debt service | 2,390,259 |
| Capital outlay | 1,081,183 |
| Payments in lieu of taxes | 289,879 |
| Grants and entitlements not restricted to specific programs | 6,382,676 |
| Investment earnings | 542,565 |
| (Decrease) in fair value of investments | (35,819) |
| Miscellaneous | 150,740 |
| Total general revenues | 51,397,127 |
| Change in net position | 6,038,779 |
| Net position (deficit) at beginning of year | (20,263,280) |
| Net position (deficit) at end of year | \$ (14,224,501) |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

| | <u>General</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|----------------------|--|---|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 13,342,779 | \$ 6,802,979 | \$ 20,145,758 |
| Cash with escrow agent | - | 743,344 | 743,344 |
| Receivables: | | | |
| Property taxes | 43,191,263 | 3,496,398 | 46,687,661 |
| Accounts | 55,598 | - | 55,598 |
| Accrued interest | 38,998 | 382 | 39,380 |
| Interfund loans | 87,269 | 479,251 | 566,520 |
| Intergovernmental | 120 | 288,313 | 288,433 |
| Prepayments | 66,179 | 2,012 | 68,191 |
| Materials and supplies inventory | 55,225 | 2,873 | 58,098 |
| Inventory held for resale | 22,482 | 3,741 | 26,223 |
| Lease receivable | 58,995 | 1,641,754 | 1,700,749 |
| Total assets | <u>\$ 56,918,908</u> | <u>\$ 13,461,047</u> | <u>\$ 70,379,955</u> |
| Liabilities: | | | |
| Accounts payable | \$ 233,421 | \$ 77,232 | \$ 310,653 |
| Contracts payable | - | 398,760 | 398,760 |
| Accrued wages and benefits payable | 4,312,821 | 228,747 | 4,541,568 |
| Compensated absences payable | 355,984 | - | 355,984 |
| Intergovernmental payable | 382,497 | 2,719 | 385,216 |
| Pension and postemployment benefits payable | 637,403 | 37,793 | 675,196 |
| Interfund loans payable | - | 550,816 | 550,816 |
| Total liabilities | <u>5,922,126</u> | <u>1,296,067</u> | <u>7,218,193</u> |
| Deferred inflows of resources: | | | |
| Property taxes levied for the next fiscal year | 36,649,398 | 2,802,797 | 39,452,195 |
| Delinquent property tax revenue not available | 1,709,314 | 138,371 | 1,847,685 |
| Intergovernmental revenue not available | - | 216,748 | 216,748 |
| Lease | 61,132 | 1,624,116 | 1,685,248 |
| Total deferred inflows of resources | <u>38,419,844</u> | <u>4,782,032</u> | <u>43,201,876</u> |
| Fund balances: | | | |
| Nonspendable: | | | |
| Materials and supplies inventory | 55,225 | 2,873 | 58,098 |
| Prepays | 66,179 | 2,012 | 68,191 |
| Unclaimed monies | 7,201 | - | 7,201 |
| Restricted: | | | |
| Debt service | - | 3,464,828 | 3,464,828 |
| Capital improvements | - | 2,195,355 | 2,195,355 |
| Food service operations | - | 192,101 | 192,101 |
| Non-public schools | - | 87,788 | 87,788 |
| Federally funded programs | - | 58,086 | 58,086 |
| Extracurricular | - | 221,964 | 221,964 |
| Other purposes | - | 70,384 | 70,384 |
| Committed: | | | |
| Capital improvements | - | 1,236,057 | 1,236,057 |
| Other purposes | - | 70,665 | 70,665 |
| Assigned: | | | |
| Student instruction | 176,653 | - | 176,653 |
| Student and staff support | 964,376 | - | 964,376 |
| Extracurricular activities | 8,176 | - | 8,176 |
| School supplies | 63,532 | - | 63,532 |
| Unassigned (deficit) | <u>11,235,596</u> | <u>(219,165)</u> | <u>11,016,431</u> |
| Total fund balances | <u>12,576,938</u> | <u>7,382,948</u> | <u>19,959,886</u> |
| Total liabilities, deferred inflows and fund balances | <u>\$ 56,918,908</u> | <u>\$ 13,461,047</u> | <u>\$ 70,379,955</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

| | | | |
|--|----|---------------------|---------------------|
| Total governmental fund balances | | \$ | 19,959,886 |
| <i>Amounts reported for governmental activities on the statement of net position are different because:</i> | | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | | 49,225,885 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds. | | | |
| Property taxes receivable | \$ | 1,847,685 | |
| Intergovernmental receivable | | 216,748 | |
| Total | | <u>2,064,433</u> | 2,064,433 |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position. | | | (17,591) |
| Unamortized premiums on bonds issued are not recognized in the funds. | | | (1,596,046) |
| Unamortized amounts on refundings are not recognized in the funds. | | | 1,200,659 |
| Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. | | | (160,266) |
| The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds. | | | |
| Deferred outflows - pension | | 9,815,848 | |
| Deferred inflows - pension | | (5,206,863) | |
| Net pension liability | | (42,243,970) | |
| Deferred outflows - OPEB | | 785,658 | |
| Deferred inflows - OPEB | | (5,862,373) | |
| Net OPEB asset | | 4,031,841 | |
| Net OPEB liability | | (2,020,857) | |
| Total | | <u>(40,700,716)</u> | (40,700,716) |
| 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 | | (29,298,371) | |
| Lease payable | | (23,503) | |
| SBITA payable | | (1,708,154) | |
| Tax anticipation note | | (2,800,000) | |
| Compensated absences | | (4,873,782) | |
| Financed purchase note payable | | (5,496,935) | |
| Total | | <u>(44,200,745)</u> | (44,200,745) |
| Net position of governmental activities | | <u>\$</u> | <u>(14,224,501)</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | <u>General</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|----------------------|--|---|
| Revenues: | | | |
| Property taxes | \$ 41,032,833 | \$ 3,515,284 | \$ 44,548,117 |
| Intergovernmental | 6,122,350 | 3,897,844 | 10,020,194 |
| Investment earnings | 492,878 | 89,221 | 582,099 |
| Tuition and fees | 779,838 | - | 779,838 |
| Extracurricular | 59,319 | 341,276 | 400,595 |
| Rental income | 38,507 | 197,305 | 235,812 |
| Charges for services | 35,348 | 455,359 | 490,707 |
| Contributions and donations | 15,508 | 315,173 | 330,681 |
| Payment in lieu of taxes | 274,339 | 15,540 | 289,879 |
| Miscellaneous | 150,740 | 62,591 | 213,331 |
| (Decrease) in fair value of investments | (35,819) | - | (35,819) |
| Total revenues | <u>48,965,841</u> | <u>8,889,593</u> | <u>57,855,434</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 18,580,350 | 967,643 | 19,547,993 |
| Special | 6,095,202 | 1,121,170 | 7,216,372 |
| Vocational | 714,838 | - | 714,838 |
| Other | 252,019 | 296,632 | 548,651 |
| Support services: | | | |
| Pupil | 2,918,022 | 349,409 | 3,267,431 |
| Instructional staff | 768,048 | 80,808 | 848,856 |
| Board of education | 47,064 | - | 47,064 |
| Administration | 2,561,914 | - | 2,561,914 |
| Fiscal | 1,382,973 | 59,817 | 1,442,790 |
| Business | 499,713 | - | 499,713 |
| Operations and maintenance | 4,815,846 | 796,055 | 5,611,901 |
| Pupil transportation | 1,942,479 | 218,655 | 2,161,134 |
| Central | 960,799 | 72,835 | 1,033,634 |
| Operation of non-instructional services: | | | |
| Food service operations | - | 568,954 | 568,954 |
| Other non-instructional services | 26,173 | 1,051,713 | 1,077,886 |
| Extracurricular activities | 1,095,230 | 750,874 | 1,846,104 |
| Facilities acquisition and construction | 743,738 | 715,298 | 1,459,036 |
| Debt service: | | | |
| Principal retirement | 1,099,754 | 2,029,365 | 3,129,119 |
| Interest and fiscal charges | 47,748 | 1,478,719 | 1,526,467 |
| Total expenditures | <u>44,551,910</u> | <u>10,557,947</u> | <u>55,109,857</u> |
| Excess of revenues over (under) expenditures | <u>4,413,931</u> | <u>(1,668,354)</u> | <u>2,745,577</u> |
| Other financing sources (uses): | | | |
| Sale of notes | - | 2,800,000 | 2,800,000 |
| Transfers in | - | 398,350 | 398,350 |
| Transfers (out) | (420,350) | - | (420,350) |
| Inception of finance-purchase transaction | - | 346,283 | 346,283 |
| SBITA transaction | 743,738 | 11,912 | 755,650 |
| Total other financing sources (uses) | <u>323,388</u> | <u>3,556,545</u> | <u>3,879,933</u> |
| Net change in fund balances | 4,737,319 | 1,888,191 | 6,625,510 |
| Fund balances at beginning of year | <u>7,839,619</u> | <u>5,494,757</u> | <u>13,334,376</u> |
| Fund balances at end of year | <u>\$ 12,576,938</u> | <u>\$ 7,382,948</u> | <u>\$ 19,959,886</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

| | | |
|---|--------------|------------------|
| Net change in fund balances - total governmental funds | \$ | 6,625,510 |
| <i>Amounts reported for governmental activities in the statement of activities are different because:</i> | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. | | |
| Capital asset additions | \$ 3,924,202 | |
| Current year depreciation/amortization | (4,217,313) | |
| Total | | (293,111) |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. | | |
| | | (14,929) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Property taxes | (481,031) | |
| Intergovernmental | 73,645 | |
| Total | | (407,386) |
| Repayment of bond, lease, and SBITA principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. | | |
| Bonds | 1,470,000 | |
| Lease payable | 78,568 | |
| SBITA payable | 539,276 | |
| Financed purchase note payable | 1,041,275 | |
| Total | | 3,129,119 |
| Issuance of tax anticipation notes, lease-purchases, and SBITA are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position. | | |
| Tax anticipation notes | (2,800,000) | |
| SBITA payables | (755,650) | |
| Lease purchase obligations | (346,283) | |
| Total | | (3,901,933) |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities: | | |
| (Increase) in accrued interest payable | (48,124) | |
| Accreted interest on capital appreciation bonds | (61,148) | |
| Amortization of bond premiums | 136,083 | |
| Amortization of deferred charges | (96,069) | |
| Total | | (69,258) |
| Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. | | |
| Pension | 3,641,639 | |
| OPEB | 97,128 | |
| Total | | 3,738,767 |
| Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities. | | |
| Pension | (3,791,712) | |
| OPEB | 922,682 | |
| Total | | (2,869,030) |
| Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. | | |
| | | 105,348 |
| An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. | | |
| | | (4,318) |
| Change in net position of governmental activities | \$ | 6,038,779 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|----------------------|----------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Property taxes | \$ 36,259,460 | \$ 38,826,274 | \$ 38,700,209 | \$ (126,065) |
| Intergovernmental | 5,708,115 | 6,112,194 | 6,056,803 | (55,391) |
| Investment earnings | 429,609 | 460,021 | 467,808 | 7,787 |
| Tuition and fees | 531,469 | 569,092 | 569,596 | 504 |
| Rental income | 24,530 | 26,266 | 41,785 | 15,519 |
| Charges for services | 48,634 | 52,077 | 35,348 | (16,729) |
| Contributions and donations | - | - | 150 | 150 |
| Payment in lieu of taxes | 138,532 | 148,339 | 274,339 | 126,000 |
| Miscellaneous | 13,979 | 14,969 | 6,432 | (8,537) |
| Total revenues | <u>43,154,328</u> | <u>46,209,232</u> | <u>46,152,470</u> | <u>(56,762)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 19,132,465 | 19,723,827 | 19,609,980 | 113,847 |
| Special | 6,929,335 | 6,203,109 | 6,085,949 | 117,160 |
| Vocational | 825,000 | 714,838 | 714,838 | - |
| Other | 439,846 | 285,018 | 265,443 | 19,575 |
| Support services: | | | | |
| Pupil | 2,948,028 | 2,927,844 | 2,927,844 | - |
| Instructional staff | 833,013 | 782,942 | 782,942 | - |
| Board of education | 40,459 | 49,956 | 49,956 | - |
| Administration | 2,636,632 | 2,597,012 | 2,597,012 | - |
| Fiscal | 1,328,441 | 1,435,213 | 1,435,213 | - |
| Business | 578,265 | 604,246 | 604,246 | - |
| Operations and maintenance | 4,976,084 | 5,212,078 | 5,196,669 | 15,409 |
| Pupil transportation | 2,045,136 | 1,934,241 | 1,934,241 | - |
| Central | 1,026,976 | 991,661 | 991,661 | - |
| Operation of non-instructional services: | | | | |
| Other non-instructional services | 19,902 | 19,750 | 19,750 | - |
| Extracurricular activities | 1,418,699 | 1,182,734 | 1,182,734 | - |
| Facilities acquisition and construction | 5,000 | - | - | - |
| Total expenditures | <u>45,183,281</u> | <u>44,664,469</u> | <u>44,398,478</u> | <u>265,991</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(2,028,953)</u> | <u>1,544,763</u> | <u>1,753,992</u> | <u>209,229</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's expenditures | 32,005 | 34,271 | 25,003 | (9,268) |
| Transfers in | 163,431 | 175,000 | 175,000 | - |
| Transfers (out) | (523,350) | (614,850) | (614,850) | - |
| Advances in | 14,665 | 15,703 | - | (15,703) |
| Sale of capital assets | 378 | 405 | 18,973 | 18,568 |
| Total other financing sources (uses) | <u>(312,871)</u> | <u>(389,471)</u> | <u>(395,874)</u> | <u>(6,403)</u> |
| Net change in fund balance | (2,341,824) | 1,155,292 | 1,358,118 | 202,826 |
| Fund balance at beginning of year | 9,684,287 | 9,684,287 | 9,684,287 | - |
| Prior year encumbrances appropriated | 915,136 | 915,136 | 915,136 | - |
| Fund balance at end of year | <u>\$ 8,257,599</u> | <u>\$ 11,754,715</u> | <u>\$ 11,957,541</u> | <u>\$ 202,826</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

| | Governmental Activities - Internal Service Fund |
|--|--|
| | |
| Assets: | |
| Equity in pooled cash and investments | \$ 1,473 |
| Total assets | 1,473 |
| Liabilities: | |
| Accounts payable | 3,360 |
| Interfund loan payable | 15,704 |
| Total current liabilities | 19,064 |
| Net position: | |
| Unrestricted (deficit) | (17,591) |
| Total net position (deficit) | \$ (17,591) |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | <u>Governmental Activities - Internal Service Fund</u> |
|--|--|
| Operating revenues: | |
| Charges for services | \$ 215,165 |
| Operating expenses: | |
| Personal services | 49,628 |
| Purchased services | 191,855 |
| Total operating expenses | <u>241,483</u> |
| Operating (loss) before transfers | (26,318) |
| Transfer in | <u>22,000</u> |
| Change in net position | (4,318) |
| Net position (deficit) at beginning of year | <u>(13,273)</u> |
| Net position (deficit) at end of year | <u>\$ (17,591)</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Governmental Activities - Internal Service Fund |
|---|--|
| Cash flows from operating activities: | |
| Cash received from charges for services | \$ 215,165 |
| Cash payments for personal services | (48,899) |
| Cash payments for purchased services | (191,855) |
| Net cash (used in) operating activities | (25,589) |
| Cash flows from noncapital financing activities: | |
| Cash received from transfers in | 22,000 |
| Net cash provided by noncapital financing activities | 22,000 |
| Net (decrease) in cash and cash cash equivalents | (3,589) |
| Cash and cash equivalents at beginning of year | 5,062 |
| Cash and cash equivalents at end of year | \$ 1,473 |
| Reconciliation of operating (loss) to net cash (used in) operating activities: | |
| Operating (loss) | \$ (26,318) |
| Changes in assets and liabilities: Increase in accounts payable | 729 |
| Net cash (used in) operating activities | \$ (25,589) |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Rocky River City School District (the “District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The District provides educational services as authorized by State statute and federal guidelines.

The District is located in a suburban area west of Cleveland, Ohio. It is located in Cuyahoga County, and encompasses the entire City of Rocky River and a small portion of the City of Fairview Park. It is staffed by 217 certified, 134 non-certified and 20 administrative personnel who provide services from Pre-K through Grade 12 to 2,644 students and other community members. The District currently operates a primary school, a preschool, an intermediate school, a middle school and a high school.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (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 that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following organization is described due to its relationship to the District:

RELATED ORGANIZATION

Rocky River Public Library

The Rocky River Public Library (the "Library") is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. The Library did not receive any funding from the District during fiscal year 2023. Financial information can be obtained from the Clerk/Treasurer of the Rocky River Public Library at 1600 Hampton Rd., Rocky River, Ohio 44116.

JOINTLY GOVERNED ORGANIZATIONS

Connect

Connect is a jointly governed organization serving twenty-four school districts and two educational service centers. Connect was organized pursuant to Ohio Revised Code Chapter 167 as a regional council of governments for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among the member districts. Connect operates as an information technology center pursuant to ORC 3301.075. Each of the governments of these schools supports Connect based on a per pupil charge dependent upon the software packages used. The District contributed \$253,699 to Connect during fiscal year 2023. Connect is governed by a four-member Board of Directors consisting of the Superintendent of the Educational Service Center of Northeast Ohio, the Superintendent of the Educational Service Center of Lorain County, the Superintendent of the Educational Service Center of Medina County, and the Executive Director of the Ohio Schools Council. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Northeast Ohio, who serves as fiscal agent, at 5700 West Canal Road, Valley View, Ohio 44125.

Ohio Schools Council Association

The Ohio Schools' Council Association (Council) is a jointly governed organization among 241 school districts, educational service centers, joint vocational districts, and Developmental Disabilities boards in 33 Ohio counties. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. The Council's Board consists of seven superintendents of the participating districts whose terms rotate every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2023, the District paid \$131,584 to the Council for annual membership and other fees. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Blvd., Suite 377, Independence, Ohio 44131.

The District participates in the natural gas purchase program. This program allows the District to purchase natural gas at reduced rates. Compass Energy has been selected as the supplier and program manager. There are currently 163 program members in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). School districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and school districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The District participates in the Council's Power4Schools electric purchase program. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating in the program for either a two-year period or an eight and one-half year period depending upon electric generation area. There are currently 256 program members in the program. FirstEnergy Solutions has been selected as the supplier for the program. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to the actual usage for the year and any necessary adjustments are made.

INSURANCE PURCHASING POOL

Suburban Health Consortium

The Suburban Health Consortium (the "Consortium") is a shared health risk pool created on October 1, 2001, formed by the Boards of Education of several school districts in northeast Ohio, for the purposes of maximizing benefits and/or reducing costs of group health, life, dental and/or other insurance coverages for their employees and the eligible dependents and designated beneficiaries of such employees. The Consortium was formed and operates as a legally separate entity under Ohio Revised Code Section 9.833. The Board of Directors shall be the governing body of the Consortium. The Board of Education of each Consortium Member shall appoint its Superintendent or such Superintendent's designee to be its representative of the Board of Directors. The officers of the Board of Directors shall consist of a Chairman, Vice-Chairman and Recording Secretary, who shall be elected at the annual meeting of Board of Directors and serve until the next annual meeting. All of the authority of the Consortium shall be exercised by or under the direction of the Board of Directors. The Board of Directors shall also set all premiums and other amounts to be paid by the Consortium Members, and the Board of Directors shall also have the authority to waive premiums and other payments. All members of the Board of Directors shall serve without compensation.

The Fiscal Agent shall be the Board of Education responsible for administering the financial transactions of the Consortium (Orange City School District). The Fiscal Agent shall carry out the responsibilities of the Consortium Fund, enter into contracts on behalf of the Consortium as authorized by the Directors and carry out such other responsibilities as approved by the Directors and agreed to by the Fiscal Agent. Each District Member enrolled in a benefit program may require contributions from its employees toward the cost of any benefit program being offered by such District Member, and such contributions shall be included in the payments from such District Member to the Fiscal Agent for such benefit program. Contributions are to be submitted by each District Member, to the Fiscal Agent, required under the terms of the Consortium Agreement and any benefit program in which such District Member is enrolled to the Fiscal Agent on a monthly basis, or as otherwise required in accordance with any benefit program in which such District Member is enrolled.

All general administrative costs incurred by the Consortium that are not covered by the premium payments shall be shared equally by the Consortium Members as approved by the Directors and shall be paid by each Consortium Member upon receipt of notice from the Fiscal Agent that such payment is due. It is the express intention of the Consortium Members that the Consortium Agreement and the Consortium shall continue for an indefinite term but may be terminated as provided in the Consortium Agreement. Any Consortium Member wishing to withdraw from participation in the Consortium or any benefit program shall notify the Fiscal Agent at least one hundred eighty (180) days prior to the effective date of withdrawal.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Upon withdrawal of a Consortium Member, the Consortium shall pay the run out of all claims for such Consortium Member provided such Consortium Member has paid to the Consortium, prior to the effective date of withdrawal, a withdrawal fee in the amount equal to two months' premiums at the Consortium Member's current rate. Payment of the withdrawal fee does not extend insurance coverage for two months. Upon automatic withdrawal, for non-payment of premiums required by the Consortium Agreement, the Consortium shall pay the run out of all claims for such Consortium Member provided that the Consortium has received from such Consortium Member all outstanding and unpaid premiums and other amounts and the withdrawal fee equal to two months' premiums at the Consortium Member's current rates. Any Consortium Member which withdraws from the Consortium pursuant to the Consortium Agreement shall have no claim to the Consortium's assets. Financial information for the Consortium can be obtained from Todd Puster, Treasurer of the Orange City School District (the "Fiscal Agent") at 32000 Chagrin Blvd, Cleveland, Ohio 44124-5922.

Ohio Schools' Council Workers' Compensation Group Rating Program

The Ohio Schools' Council Workers' Compensation Group Rating Program (the "Plan") is an insurance purchasing pool (See Note 13.C.). The plan is intended to reduce premiums for the participants. The Worker's Compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the Plan.

B. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

GOVERNMENTAL FUNDS

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

The following is the District's major governmental fund:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported 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.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. Proprietary funds consist of enterprise funds and internal service funds. The District has only an internal service fund.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Internal Service Fund - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The internal service fund of the District accounts for employee benefit programs.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for collections for and distributions to the Ohio High School Athletic Association (OHSAA). The District's custodial fund had no activity or balances during the fiscal year.

C. Basis of Presentation and Measurement Focus

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. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The government-wide financial statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

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 or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

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 nonmajor funds are aggregated into one column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Like the government-wide statements, the private-purpose trust fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fiduciary net position. The statement of changes in fiduciary net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, payment in lieu of taxes, 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 satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will 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. See Notes 14 and 15 for deferred outflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. 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.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements 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 (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. 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 of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 14 and 15 for deferred inflows of resources related to net pension liability/asset and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgetary Process

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect when the final appropriations were passed prior to fiscal year-end.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2023, investments were limited to Federal Home Loan Bank (FHLB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal Farm Credit Bank (FFCB) securities, commercial paper, negotiable certificates of deposit (negotiable CD's), municipal bonds, U.S. government money market fund, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, investments are reported at fair value.

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

For fiscal year 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours notice in advance of all deposits and withdrawals exceeding \$100 million is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statute, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2023 amounted to \$492,878 which includes \$88,764 assigned from other District funds.

For presentation on the basic financial statements, investments purchased by the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at fiscal year-end is provided in Note 4.

G. Inventory

On government-wide and fund financial statements, inventories of supplies are reported at cost while inventories held for resale are reported at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expended/expensed when used. Donated commodities are recorded at their entitlement value. Inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory held for resale is not offset by nonspendable fund balance as the proceeds from the eventual sale of the inventory is either restricted, committed or assigned.

Inventory consists of expendable supplies held for consumption and food service inventory held for resale.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Capital Assets

General capital assets are those assets specifically related to governmental activities. These assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$2,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

| <u>Description</u> | Governmental Activities <u>Estimated Lives</u> |
|--------------------------------|--|
| Land improvements | 10-30 years |
| Building/ improvements | 10-40 years |
| Furniture/equipment | 5-20 years |
| Vehicles | 8 years |
| Intangible right to use assets | 5 years |
| SBITA assets | 5 years |

The District is reporting intangible right to use assets related to leased equipment and buildings and Subscription Based Information Technology Arrangements (SBITAs). The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease/subscription term or the useful life of the underlying asset.

I. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable" and "interfund loans payable" and receivables and payables resulting from long-term interfund loans are classified as "advances to other funds" and "advances from other funds". Interfund balances between governmental funds are eliminated for reporting on the government-wide statement of net position. See Note 5 for detail on the District's interfund balances at June 30, 2023.

J. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Transfers between governmental funds are eliminated for reporting on the government-wide statement of activities. Interfund services provided and used are not eliminated for reporting on the government-wide statement of activities.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave liability to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for severance is accrued using the termination method; i.e., a liability is accrued for earned sick leave to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments.

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2023 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, 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, claims and judgements and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, financed-purchase not payable obligations, leases, and SBITAs are recognized as a liability in the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes. The Board's has, by resolution, authorized the Treasurer to assign fund balances for encumbrances outstanding at year-end.

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

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

N. Non-Public Schools

Within the District's boundaries, St. Christopher and St. Thomas Schools, Lutheran West, and Magnificat High Schools operated as non-public schools. Current State legislation provides funding to these schools. These monies are received and disbursed on behalf of the schools by the Treasurer of the District, as directed by the schools. This activity is reflected as a governmental activity for financial reporting purposes.

O. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

P. Contributions of Capital

Contributions of capital in the government-wide financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The District had no capital contributions in fiscal year 2023.

Q. Estimates

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

R. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 11.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

S. Pensions/Other Postemployment Benefits (OPEB)

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

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2023.

U. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are charges for services for the employee benefit programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues not related to operating activities have been reported as nonoperating revenue.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

V. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

W. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepayments in both government-wide and fund financial statements. These items are reported in the financial statements using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At fiscal year-end, because prepayments are not available to finance future governmental fund expenditures, the fund balance is considered nonspendable in an amount equal to the carrying value of the asset on the fund financial statements.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2023, the District has 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”, certain questions and answers of GASB Implementation Guide 2021-1 and certain paragraphs of GASB Statement No. 99, “Omnibus 2022”.

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of GASB Statement No. 91 did not have an effect on the financial statements of the District.

GASB Statement No. 94 is to improve financial reporting by addressing issues related to public-private and public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the District.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

These changes were incorporated in the District's fiscal year 2023 financial statements. The District recognized \$1,491,780 in governmental activities in subscriptions payable at July 1, 2022; however, this entire amount was offset by the intangible asset, right to use subscription assets.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the District.

GASB Statement No. 99 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2023 included the following individual fund deficits:

| <u>Nonmajor funds</u> | <u>Deficit</u> |
|--|----------------|
| District managed student activity | \$ 2,409 |
| Elementary and secondary school emergency relief | 121,695 |
| IDEA Part B | 59,731 |
| Title I | 32,957 |
| Supporting effective instruction | 726 |

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

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the District into three categories.

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

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interim monies may be deposited or invested in the following securities:

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

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions 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.

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

A. Cash with Escrow Agent

At June 30, 2023, the District had \$743,344 held by Key Government Finance, Inc. and PNC Equipment Finance, LLC. as escrow agents related to lease-purchase obligations entered into during fiscal years 2017-2023 (see Note 8). This amount is not included in "Deposits with Financial Institutions" below.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Deposits with Financial Institutions

At June 30, 2023, the carrying amount of all District deposits was \$8,951,204 and the bank balance of all District deposits was \$9,255,741. Of the bank balance, \$2,051,021 was covered by the FDIC and \$7,204,720 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) 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 fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2023, one of the District's financial institutions was approved for a collateral rate of 60 percent, one was approved for 50 percent through the OPCS and one was approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

C. Investments

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

| Measurement/ Investment type | Measurement Value | Investment Maturities | | | | |
|---------------------------------|----------------------|-----------------------|---------------------|---------------------|--------------------|---------------------------|
| | | 6 months or less | 7 to 12 months | 13 to 18 months | 19 to 24 months | Greater Than 24 months |
| <i>Fair Value:</i> | | | | | | |
| Negotiable CDs | \$ 3,856,095 | \$ 734,869 | \$ - | \$ 1,201,907 | \$ 955,118 | \$ 964,201 |
| FHLB | 2,260,624 | 171,047 | 1,757,298 | - | - | 332,279 |
| FHLMC | 293,993 | - | - | - | - | 293,993 |
| FFCB | 396,796 | - | - | - | - | 396,796 |
| Municipal bonds | 919,242 | 219,893 | - | 159,958 | - | 539,391 |
| Commercial paper | 2,611,932 | 1,794,398 | 817,534 | - | - | - |
| U.S. Government Money | | | | | | |
| Market Mutual Fund | 42,787 | 42,787 | - | - | - | - |
| <i>Amortized Cost:</i> | | | | | | |
| STAR Ohio | 814,558 | 814,558 | - | - | - | - |
| Total | \$ 11,196,027 | \$ 3,777,552 | \$ 2,574,832 | \$ 1,361,865 | \$ 955,118 | \$ 2,526,660 |

The weighted average maturity of investments is 1.28 years.

The District's investments in U.S. government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in negotiable CDs, FHLB securities, FHLMC securities, FFCB securities, municipal bonds, and commercial paper are valued using quoted market prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs). As discussed in Note 2.F, investments in STAR Ohio is reported at its share price.

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.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: The District’s investments in FHLB securities were rated AA+ and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. The District’s investments in FHLB, FHLMC, and FFCB securities were rated AAA and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. The District’s investments in Municipal bonds were rated Aa2/Aaa by Moody’s Investor Services. STAR Ohio and the U.S. government money market mutual fund were rated AAAM by Standard & Poor’s. STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. The negotiable CDs were not rated but are fully covered by the FDIC. The commercial paper was rated A-1 by Standard & Poor’s and P-1 by Moody’s Investor Services. The District has no investment policy that would further limit its investment choices.

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 investments or collateral securities that are in the possession of an outside party. The FHLB securities, FHLMC securities, municipal bonds, and commercial paper are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty’s trust department or agent, but not in the District’s name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits 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 no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type at June 30, 2023:

| <u>Measurement/ Investment type</u> | <u>Measurement Value</u> | <u>% of Total</u> |
|---|------------------------------|-------------------|
| <i>Fair Value:</i> | | |
| Negotiable CDs | \$ 3,856,095 | 34.44 % |
| FHLB | 2,260,624 | 20.19 |
| FHLMC | 293,993 | 2.63 |
| FFCB | 396,796 | 3.54 |
| Municipal bonds | 919,242 | 8.21 |
| Commercial paper | 2,611,932 | 23.33 |
| U.S. Government Money Market Mutual Fund | 42,787 | 0.38 |
| <i>Amortized Cost:</i> | | |
| STAR Ohio | <u>814,558</u> | <u>7.28</u> |
| Total | <u>\$ 11,196,027</u> | <u>100.00</u> |

D. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2023:

| | |
|---|----------------------|
| <u>Cash and investments per note</u> | |
| Carrying amount of deposits | \$ 8,951,204 |
| Cash with escrow agent | 743,344 |
| Investments | <u>11,196,027</u> |
| Total | <u>\$ 20,890,575</u> |
| <u>Cash and investments per statement of net position</u> | |
| Governmental activities | <u>\$ 20,890,575</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund loans receivable/payable consisted of the following at June 30, 2023, as reported on the fund statements:

| <u>Receivable fund</u> | <u>Payable fund</u> | <u>Amount</u> |
|-----------------------------|-----------------------------|-------------------|
| General fund | Nonmajor governmental funds | \$ 71,565 |
| General fund | Internal service funds | 15,704 |
| Nonmajor governmental funds | Nonmajor governmental funds | <u>479,251</u> |
| Total | | <u>\$ 566,520</u> |

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

B. Interfund transfers for the year ended June 30, 2023, consisted of the following, as reported on the fund statements:

| | <u>Amount</u> |
|--|-------------------|
| <u>Transfers from general fund to:</u> | |
| Nonmajor governmental funds | \$ 398,350 |
| Internal service funds | <u>22,000</u> |
| | <u>\$ 420,350</u> |

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed values as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Public utility real and personal property taxes received in calendar year 2023 became a lien on December 31, 2021, were levied after April 1, 2022, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 6 - PROPERTY TAXES - (Continued)

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available as an advance at June 30, 2023 was \$4,832,551 in the general fund, \$436,749 in the bond retirement fund and \$118,481 in the permanent improvement fund. These amounts are recorded as revenue. The amount available for advance at June 30, 2022 was \$2,499,924 in the general fund, \$225,934 in the bond retirement fund and \$61,292 in the permanent improvement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are 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 of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

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

| | 2022 Second Half Collections | | | 2023 First Half Collections | |
|---|---------------------------------|----------------|--|--------------------------------|----------------|
| | <u>Amount</u> | <u>Percent</u> | | <u>Amount</u> | <u>Percent</u> |
| Agricultural/residential and other real estate | \$ 1,071,155,760 | 98.79 % | | \$ 1,078,771,600 | 98.69 % |
| Public utility personal | <u>13,143,890</u> | <u>1.21</u> | | <u>14,282,960</u> | <u>1.31</u> |
| Total | <u>\$ 1,084,299,650</u> | <u>100.00</u> | | <u>\$ 1,093,054,560</u> | <u>100.00</u> |
| Tax rate per \$1,000 of assessed valuation | \$ 90.27 | | | \$ 95.17 | |

NOTE 7 - RECEIVABLES

A. Receivables

Receivables at June 30, 2023 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest, 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 principal items of receivables reported on the statement of net position follows:

Governmental activities:

| | |
|-------------------------------|----------------------|
| Property taxes | \$ 46,687,661 |
| Accounts | 55,598 |
| Intergovernmental | 288,433 |
| Accrued interest | <u>39,380</u> |
| Total governmental activities | <u>\$ 47,071,072</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7 - RECEIVABLES - (Continued)

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

B. Leases Receivable

The District is reporting leases receivable of \$58,995 in the general fund and \$1,641,754 in the permanent improvement fund. For fiscal year 2023, the District recognized lease revenue of \$184,731, which is reported in rental income, and interest revenue of \$34,952.

The District has entered into various lease agreements with multiple companies at varying years and terms as follows:

| <u>Purpose</u> | <u>Lease</u> | <u>Years</u> | <u>Lease</u> | <u>Payment</u> |
|---------------------|---------------------|--------------|--------------|----------------|
| | <u>Commencement</u> | | <u>End</u> | |
| | <u>Date</u> | | <u>Date</u> | <u>Method</u> |
| Swimming pool usage | 2021 | 15 | 2036 | Quarterly |
| Field turf usage | 2014 | 10 | 2024 | Tri-annual |
| Fairview Hospital | 2022 | 10 | 2032 | Monthly |
| YMCA | 2020 | 2 | 2022 | Monthly |

Lease payments will be paid into the general fund and permanent improvement fund. The following is a schedule of future lease payments under the lease agreements:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|---------------------|-------------------|---------------------|
| 2024 | \$ 191,787 | \$ 42,486 | \$ 234,273 |
| 2025 | 170,051 | 38,054 | 208,105 |
| 2026 | 174,981 | 33,625 | 208,606 |
| 2027 | 167,986 | 29,118 | 197,104 |
| 2028 | 180,837 | 24,481 | 205,318 |
| 2029 - 2033 | 815,107 | 47,230 | 862,337 |
| Total | <u>\$ 1,700,749</u> | <u>\$ 214,994</u> | <u>\$ 1,915,743</u> |

NOTE 8 - FINANCED PURCHASE NOTE PAYABLE

During fiscal year 2017, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the renovation of the Beach School building. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$1,251,641. The financed purchase note payable agreement bears an interest rate of 3.50%.

During fiscal year 2017, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the renovation of the Beach School building. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$148,359. The financed purchase note payable agreement bears an interest rate of 3.50%.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 8 - FINANCED PURCHASE NOTE PAYABLE - (Continued)

During fiscal year 2018, the District entered into financed purchase note payable agreements with PNC Equipment Finance, LLC to finance the acquisition of computer and technology equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$500,000. The financed purchase note payable agreement bears an interest rate of 2.87%.

During fiscal year 2018, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the renovation of lighting, HVAC and acquisition of other equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$2,500,000. The financed purchase note payable agreement bears an interest rate of 3.12%.

During fiscal year 2019, the District entered into financed purchase note payable agreements with PNC Equipment Finance, LLC to finance the acquisition of computer and technology equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$345,422. The financed purchase note payable agreement bears an interest rate of 2.72%.

During fiscal year 2019, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance a high school stadium fence and roof renovations. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$290,000. The financed purchase note payable agreement bears an interest rate of 2.89%.

During fiscal year 2020, the District entered into financed purchase note payable agreements with PNC Equipment Finance, LLC to finance the acquisition of computer and technology equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$305,981. The financed purchase note payable agreement bears an interest rate of 1.38%.

During fiscal year 2020, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance HVAC restoration projects. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$1,290,014. The financed purchase note payable agreement bears an interest rate of 2.89%.

During fiscal year 2021, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the acquisition of computer and technology equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$709,568. The financed purchase note payable agreement bears an interest rate of 1.50%.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 8 - FINANCED PURCHASE NOTE PAYABLE - (Continued)

During fiscal year 2022, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the acquisition of a new HVAC system. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$925,000. The financed purchase note payable agreement bears an interest rate of 3.20%.

During fiscal year 2022, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the acquisition of computer and technology equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$499,634. The financed purchase note payable agreement bears an interest rate of 1.83%.

During fiscal year 2023, the District entered into financed purchase note payable agreements with Key Government Finance, Inc. to finance the acquisition of computer and technology equipment. Lease payments made under the financed purchase note payable agreement have been reclassified and are reflected as debt service expenditures in the financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements. The total amount of the financed purchase note payable is \$346,283. The financed purchase note payable agreement bears an interest rate of 4.70%.

Capital assets consisting of computers, equipment (HVACs) have been capitalized, in part, based upon the District's individual item threshold of \$2,000. A corresponding liability is recorded in the government-wide financial statements. Principal and interest payments in fiscal year 2023 of \$1,041,275 and \$150,480, respectively, were paid by the general fund and the permanent improvement fund (a nonmajor governmental fund).

The following is a summary of the future debt service requirements to retire the financed purchase note payable:

| Fiscal <u>Year Ending</u> | <u>Financed Purchase Note Payable</u> | | |
|------------------------------|---------------------------------------|-------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$ 1,147,127 | \$ 143,065 | \$ 1,290,192 |
| 2025 | 978,139 | 115,281 | 1,093,420 |
| 2026 | 796,015 | 89,860 | 885,875 |
| 2027 | 605,887 | 68,283 | 674,170 |
| 2028 | 622,889 | 51,281 | 674,170 |
| 2029 - 2032 | <u>1,346,878</u> | <u>59,173</u> | <u>1,406,051</u> |
| Total | <u>\$ 5,496,935</u> | <u>\$ 526,943</u> | <u>\$ 6,023,878</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 9 - CAPITAL ASSETS

Due to the implementation of GASB Statement No. 96 (see Note 3.A for detail), the District has reported capital assets for the right to use SBITA assets which are reflected in the schedule below. Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

| | Restated Balance <u>June 30, 2022</u> | <u>Additions</u> | <u>Deductions</u> | Balance <u>June 30, 2023</u> |
|---|---|---------------------|--------------------|---------------------------------|
| Governmental activities: | | | | |
| <i>Capital assets, not being depreciated/amortized:</i> | | | | |
| Land | \$ 770,821 | \$ - | \$ - | \$ 770,821 |
| CIP | <u>-</u> | <u>1,159,571</u> | <u>-</u> | <u>1,159,571</u> |
| Total capital assets, not being depreciated/amortized | <u>770,821</u> | <u>1,159,571</u> | <u>-</u> | <u>1,930,392</u> |
| <i>Capital assets, being depreciated/amortized:</i> | | | | |
| Land improvements | 7,392,610 | 272,826 | - | 7,665,436 |
| Building/improvements | 90,184,446 | 692,275 | - | 90,876,721 |
| Furniture/equipment | 9,369,436 | 801,276 | (32,528) | 10,138,184 |
| Vehicles | 2,341,357 | 206,492 | (141,750) | 2,406,099 |
| Intangible right to use: | | | | |
| SBITAs | 1,491,780 | 791,762 | - | 2,283,542 |
| Lease buildings | 43,300 | - | - | 43,300 |
| Lease equipment | <u>143,205</u> | <u>-</u> | <u>-</u> | <u>143,205</u> |
| Total capital assets, being depreciated/amortized | <u>110,966,134</u> | <u>2,764,631</u> | <u>(174,278)</u> | <u>113,556,487</u> |
| <i>Accumulated depreciation/amortization:</i> | | | | |
| Land improvements | (4,404,950) | (270,008) | - | (4,674,958) |
| Building/improvements | (50,051,338) | (2,775,218) | - | (52,826,556) |
| Furniture/equipment | (6,087,316) | (498,522) | 31,775 | (6,554,063) |
| Vehicles | (1,581,661) | (157,814) | 127,574 | (1,611,901) |
| Intangible right to use: | | | | |
| SBITAs | - | (437,986) | - | (437,986) |
| Lease buildings | (13,323) | (13,323) | - | (26,646) |
| Lease equipment | <u>(64,442)</u> | <u>(64,442)</u> | <u>-</u> | <u>(128,884)</u> |
| Total accumulated depreciation/amortization | <u>(62,203,030)</u> | <u>(4,217,313)</u> | <u>159,349</u> | <u>(66,260,994)</u> |
| Governmental activities capital assets, net | <u>\$ 49,533,925</u> | <u>\$ (293,111)</u> | <u>\$ (14,929)</u> | <u>\$ 49,225,885</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 9 - CAPITAL ASSETS - (Continued)

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

| | |
|---|---------------------|
| Instruction: | |
| Regular | \$ 1,493,042 |
| Special | 325,055 |
| Vocational | 23,964 |
| Other | 19,892 |
| Support Services: | |
| Pupil | 108,810 |
| Instructional staff | 29,530 |
| Board of education | 2,128 |
| Administration | 127,923 |
| Fiscal | 46,325 |
| Business | 102,919 |
| Operations and maintenance | 1,014,734 |
| Pupil transportation | 208,742 |
| Central | 343,537 |
| Operation of non-instructional: | |
| Food service operations | 26,227 |
| Other non-instructional services | 110,951 |
| Extracurricular activities | <u>233,534</u> |
| Total depreciation/amortization expense | <u>\$ 4,217,313</u> |

NOTE 10 - OTHER COMMITMENTS

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 (less amounts included in payables) in the governmental funds were as follows:

| <u>Fund</u> | <u>Year-End Encumbrances</u> |
|-----------------------------|----------------------------------|
| General Fund | \$ 653,449 |
| Nonmajor Governmental Funds | <u>847,406</u> |
| Total | <u>\$ 1,500,855</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS

- A. Due to the implementation of GASB Statement No. 96 (see Note 3.A for detail), the District has reported obligations for SBITA payable which are reflected in the schedule below. During fiscal year 2023, the following changes occurred in governmental activities long-term obligations.

| | Restated Balance <u>June 30, 2022</u> | <u>Additions</u> | <u>Reductions</u> | Balance <u>June 30, 2023</u> | Amounts Due in <u>One Year</u> |
|---|---|----------------------|-----------------------|---------------------------------|--------------------------------------|
| Governmental Activities: | | | | | |
| General obligation bonds: | | | | | |
| Series 2014 refunding bonds: | | | | | |
| Current interest bonds | \$ 8,395,000 | \$ - | \$ - | \$ 8,395,000 | \$ - |
| Series 2010 school improvement: | | | | | |
| Current interest bonds | 6,020,000 | - | (1,205,000) | 4,815,000 | 1,205,000 |
| Capital appreciation bonds | 420,000 | - | - | 420,000 | - |
| Accretion on capital appreciation bonds | 447,111 | 55,536 | - | 502,647 | - |
| Series 2017 refunding bonds: | | | | | |
| Current interest bonds | 3,145,000 | - | (145,000) | 3,000,000 | 155,000 |
| Series 2021 refunding bonds: | | | | | |
| Current interest bonds | 12,275,000 | - | (120,000) | 12,155,000 | 125,000 |
| Capital appreciation bonds | 2,806 | - | - | 2,806 | - |
| Accretion on capital appreciation bonds | 2,306 | 5,612 | - | 7,918 | - |
| Total general obligation bonds | <u>30,707,223</u> | <u>61,148</u> | <u>(1,470,000)</u> | <u>29,298,371</u> | <u>1,485,000</u> |
| Net pension liability | 26,365,818 | 15,878,152 | - | 42,243,970 | - |
| Net OPEB liability | 2,803,766 | - | (782,909) | 2,020,857 | - |
| Total liability | <u>29,169,584</u> | <u>15,878,152</u> | <u>(782,909)</u> | <u>44,264,827</u> | <u>-</u> |
| Financed purchase note payable | 6,191,927 | 346,283 | (1,041,275) | 5,496,935 | 1,147,127 |
| Tax anticipation note | - | 2,800,000 | - | 2,800,000 | 228,300 |
| SBITA payable | 1,491,780 | 755,650 | (539,276) | 1,708,154 | 523,648 |
| Lease payable | 102,071 | - | (78,568) | 23,503 | 23,503 |
| Compensated absences | 5,391,684 | 376,141 | (538,059) | 5,229,766 | 439,482 |
| Total governmental activities long-term liabilities | 73,054,269 | <u>\$ 20,217,374</u> | <u>\$ (4,450,087)</u> | 88,821,556 | <u>\$ 3,847,060</u> |
| Add: Unamortized premiums on bonds | <u>1,732,129</u> | | | <u>1,596,046</u> | |
| Total on statement of net position | <u>\$ 74,786,398</u> | | | <u>\$ 90,417,602</u> | |

School Improvement Refunding Bonds - Series 2014

On December 30, 2014, the District issued \$28,250,000, in general obligation refunding bonds, which included \$11,040,000 in serial bonds and \$17,210,000 in term bonds with interest rates varying from 3.25 percent to 4.0 percent. The final stated maturity on the issue is December 1, 2044. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. These bonds are paid from the bond retirement fund. Proceeds were used to current refund \$28,500,000 of the outstanding Series 2010 school improvement Build America Bonds (BABs).

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The bonds were sold at a premium of \$837,902. Proceeds of \$28,786,310 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded Series 2010 school improvement BABs. As a result, \$28,500,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2023, the outstanding amount of the refunded bonds is \$28,250,000. A portion of the Series 2014 Refunding Bonds were advance refunded in fiscal year 2017 with the issuance of the Series 2017 Refunding Bonds described below. A portion of the Series 2014 Refunding Bonds were advance refunded in fiscal year 2022 with the issuance of the Series 2021 Refunding Bonds described below.

The reacquisition price exceeded the net carrying amount of the old debt by \$286,310. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

School Improvement Bonds - Series 2010

On September 28, 2010, the District issued \$42,900,000, in general obligation school improvement bonds, including \$3,140,000 in serial bonds, \$28,500,000 in term Build America Bonds (BABs) and \$11,260,000 in sinking fund Qualified School Construction Bonds (QSCBs). Proceeds from the bond issue were used to construct, renovate, remodel, add to, furnish, equip or otherwise improve school district buildings and facilities. The bonds were sold at a premium of \$443,449. Principal payments on the bonds are due December 1 or each year while interest payments are due on June 1 and December 1 of each year. Principal and interest payments are made from the bond retirement fund. During 2015, the District advance refunded the entire balance of the BABs, in the amount of \$28,500,000, through the issuance of the Series 2014 school improvement refunding bonds.

The serial bonds consist of current interest bonds, par value \$2,720,000, and capital appreciation bonds, par value \$420,000. The current interest serial bonds were issued for a seven year period with a final maturity at December 1, 2017. The serial bonds mature on December 1 in each year 2011 through 2017 and bear interest rates ranging from 1.0 percent to 4.0 percent. The serial bonds are not subject to redemption prior to maturity.

The capital appreciation bonds mature on December 1, 2027 at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The effective interest rate on the capital appreciation bonds is 6.305%. The accreted value at maturity for the capital appreciation bond is \$1,220,000. Total accreted interest of \$502,647 has been included in the statement of net position at June 30, 2023.

The QSCBs mature on December 1, 2026 in the amount of \$11,260,000. The QSCBs bear an interest rate of 5.068 percent. The District receives a direct payment subsidy from the United States Treasury equal to 100% of the lesser of the interest payments on the bonds or the federal tax credits that would otherwise have been available to the holders of the bonds. The District records this subsidy from the federal government in the bond retirement fund. The QSCBs are subject to optional redemption, on any date on or after December 31, 2020, and extraordinary optional redemption, at the sole discretion of the District, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date. On December 1 in each year 2020 through 2026, the District is required to make a mandatory deposit into a sinking fund that will provide for payment of the QSCBs upon maturity.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The QSCBs are subject to mandatory sinking fund requirements on each December 1 as follows:

| <u>Year</u> | <u>Mandatory Sinking Fund Requirement</u> |
|-------------|---|
| 2023 | \$ 1,205,000 |
| 2024 | 1,205,000 |
| 2025 | 1,205,000 |
| 2026 | <u>1,200,000</u> |
| Total | <u>\$ 4,815,000</u> |

The Bond Registrar Agreement provided for the creation of a separate escrow account (the “Sinking Fund Account”) as a separate deposit account in the custody of the Bond Registrar. Money in the Sinking Fund Account will be applied to the payment of the principal of the QSCBs at maturity. There will be deposited in the Sinking Fund Account the mandatory sinking fund requirements to be paid by the District to the Bond Registrar pursuant to the Bond proceedings in accordance with the schedule above.

The above Mandatory Sinking Fund Requirements will be gross funded. However, the District will receive as a credit against the amount of the final mandatory sinking fund requirement when due the amount by which the balance in the Sinking Fund Account on that payment date exceeds the sum of all mandatory sinking fund requirements for prior payment dates.

The Bond Registrar Agreement provides that money and investments in the Sinking Fund Account shall be irrevocably held in trust by the Bond Registrar for and pledged for the benefit, equally and ratably, of the owners of the QSCBs, and such money, together with any income or interest earned thereon, shall not be subject to levy or attachment or lien by or for the benefit of any other creditor of the District. The Bond Registrar shall use the money deposited in the Sinking Fund Account and all investment earnings thereon solely and exclusively to pay the principal of the QSCBs when due at maturity or redemption.

All money held in the Sinking Fund Account will be invested or reinvested by the Bond Registrar in obligations in which the Treasurer may deposit or invest interim money of the District in accordance with Section 135.14 of the Ohio Revised Code (ORC) and “active deposits” as defined in Section 135.01 of the ORC and that mature or are subject to redemption by and at the option of the holder not later than the date when the moneys, together with interest or other investment income accrued on those moneys, will be required for the payment of principal of the QSCBs.

As of June 30, 2023, the District has made the following deposits to the Sinking Fund Account and the balance of the Sinking Fund Account at June 30, 2023 follows:

| <u>District Deposits to Sinking Fund Account</u> | <u>Balance of Sinking Fund Account</u> | <u>Excess</u> |
|--|--|-------------------|
| <u>\$ 6,445,000</u> | <u>\$ 6,738,573</u> | <u>\$ 293,573</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

School Improvement Refunding Bonds - Series 2017

On March 15, 2017, the District issued general obligation bonds (Series 2017 Refunding Bonds) to advance refund the callable portion of the Series 2014 School Improvement Refunding Bonds (principal \$7,445,000; interest rate of 3.25% to 4.00%). Issuance proceeds of \$8,370,396 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds was \$7,445,000 at June 30, 2023.

The refunding issue is comprised of current interest bonds, par value \$7,440,000. The interest rate on the current interest bonds is 3.650%.

The reacquisition price exceeded the net carrying amount of the old debt (including unamortized deferred charges and unamortized premiums) by \$925,396. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Payments of principal and interest relating to the Series 2017 refunding bonds are recorded as expenditures in the bond retirement fund. Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2032.

Series 2021 Refunding Bonds

On August 18, 2021, the District issued \$12,407,806, in Series 2021 general obligation refunding bonds to advance refund \$12,410,000 of the outstanding Series 2014 refunding bonds. The Series 2021 refunding bonds consist of \$12,405,000 in current interest serial bonds and \$2,806 in capital appreciation bonds. The Series 2021 current interest bonds bear interest rates ranging from 1.836 percent to 4.00 percent and mature December 1, 2040. The capital appreciation bonds mature on December 1, 2028 and December 1, 2034 with accreted values at maturity of \$620,000 and \$940,000, respectively. At June 30, 2023, a total of \$7,918 in accreted interest has been recorded on the capital appreciation bonds.

The Series 2021 bonds were sold at a premium of \$1,339,394. The bond premium was deposited into the debt service fund to be used for the refunded bond escrow deposit. Proceeds of \$13,554,018 were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 2014 refunding bonds. As a result, \$12,410,000 of these bonds were considered defeased and the liability for the refunded portion of these bonds has been removed from the basic financial statements. As of June 30, 2023, the outstanding amount of the Series 2014 refunded bonds was \$12,410,000.

The reacquisition price exceeded the net carrying amount (including \$655,850 of unamortized premiums and \$224,105 of deferred charges on the Series 2014 bonds refunded) of the old debt by \$712,273. This amount is being amortized over the remaining life of the refunding debt which is equal to the life of the refunded debt. The unamortized portion at June 30, 2023 is reported as a deferred outflow of resources on the statement of net position. The refunding was undertaken to reduce total debt service requirements by \$1,270,106 resulting in an economic gain of \$931,694.

Compensated Absences

Compensated absences will be paid from the fund which the employee is paid which, for the District, is the general fund.

Financed purchase note payable

The financed purchase note payable will be repaid from the general fund and the permanent improvement fund (a nonmajor governmental fund). See Note 8 for further detail on the District's financed purchase note payable.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Net Pension Liability

The District's net pension liability is described in Note 14. The District pays obligations related to employee compensation from the fund benefitting from their service which, for the District, is primarily the general fund.

Net OPEB Liability/Asset

The District's net OPEB liability/asset is described in Note 15. The District pays obligations related to employee compensation from the fund benefitting from their service which, for the District, is primarily the general fund.

Series 2023 Tax Anticipation Note

On February 16, 2023, the District issued \$2,800,000 in general obligation tax anticipation notes to provide for permanent improvements to the District's buildings. The tax anticipation notes are capital related and long-term in nature and therefore are reported as a long-term obligation of the governmental activities. The notes bear an interest rate of 4.41% and mature on February 16, 2033. Interest payments are due February 16 and August 16 of each year. Principal and interest payments are paid from the permanent improvement fund. As of June 30, 2023, the remaining balance of the Series 2023 Tax anticipation notes is \$2,800,000.

The tax anticipation note is considered a direct borrowing. Direct borrowings have terms negotiated directly between the District and the lender (Key Government Finance, Inc.) and are not offered for public sale. The note is collateralized by a voted permanent improvement levy of 0.5 mills approved by the District's voters in November 2017 and 0.25 mills approved in November 2022.

Lease payable

The District has entered into lease agreements for the right to use building space and equipment. Due to the implementation of GASB Statement No. 87, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid from the general fund.

The District has entered into lease agreements at varying years and terms as follows:

| <u>Company</u> | <u>Lease Commencement Date</u> | <u>Years</u> | <u>Lease End Date</u> | <u>Payment Method</u> |
|--------------------|--|--------------|-------------------------------|---------------------------|
| Hockey locker room | 2014 | 10 | 2024 | Semi-annual |
| Copier equipment | 2018 | 5 | 2023 | Monthly |

The following is a schedule of future lease payments under the lease agreements:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|------------------|-----------------|--------------|
| 2024 | \$ 23,503 | \$ 75 | \$ 23,578 |
| Total | \$ 23,503 | \$ 75 | \$ 23,578 |

SBITA Payable

The District has entered into agreements for the right to use subscription to software. Due to the implementation of GASB Statement No. 96, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the subscriptions. The subscription payments will be paid from the general fund and the food service nonmajor special revenue fund.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

The District has entered into agreements for subscriptions at varying years and terms as follows:

| <u>SBITA</u> | <u>Commencement Date</u> | <u>Years</u> | <u>End Date</u> | <u>Payment Method</u> |
|-----------------------|------------------------------|--------------|---------------------|---------------------------|
| Teaching software | 2021-2023 | 5 | 2024-2029 | Annual |
| Food service software | 2022 | 3 | 2025 | Annual |

The following is a schedule of future payments under the agreements:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------|---------------------|-------------------|---------------------|
| 2024 | \$ 523,648 | \$ 41,472 | \$ 565,120 |
| 2025 | 436,791 | 29,277 | 466,068 |
| 2026 | 323,234 | 18,740 | 341,974 |
| 2027 | 331,345 | 10,628 | 341,973 |
| 2028 | <u>93,136</u> | <u>2,311</u> | <u>95,447</u> |
| Total | <u>\$ 1,708,154</u> | <u>\$ 102,428</u> | <u>\$ 1,810,582</u> |

- B. The following is a summary of the future debt service requirements, including mandatory sinking fund requirements, to retire bonded debt:

| <u>Fiscal Year Ending</u> | <u>General Obligation Bonds</u> | | | <u>Capital Appreciation Bonds</u> | | |
|-------------------------------|---------------------------------|----------------------|----------------------|-----------------------------------|--------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$ 1,485,000 | \$ 1,329,890 | \$ 2,814,890 | \$ - | \$ - | \$ - |
| 2025 | 1,495,000 | 1,319,042 | 2,814,042 | - | - | - |
| 2026 | 1,510,000 | 1,307,720 | 2,817,720 | - | - | - |
| 2027 | 1,520,000 | 1,010,502 | 2,530,502 | - | - | - |
| 2028 | 335,000 | 712,722 | 1,047,722 | - | - | - |
| 2029 - 2033 | 2,700,000 | 3,263,118 | 5,963,118 | 422,759 | 1,417,241 | 1,840,000 |
| 2034 - 2038 | 5,655,000 | 2,817,821 | 8,472,821 | 47 | 939,953 | 940,000 |
| 2039 - 2043 | 9,305,000 | 1,687,039 | 10,992,039 | - | - | - |
| 2044 - 2045 | <u>4,360,000</u> | <u>165,000</u> | <u>4,525,000</u> | - | - | - |
| Total | <u>\$ 28,365,000</u> | <u>\$ 13,612,854</u> | <u>\$ 41,977,854</u> | <u>\$ 422,806</u> | <u>\$2,357,194</u> | <u>\$ 2,780,000</u> |

| <u>Fiscal Year Ending June 30</u> | <u>Tax anticipation notes</u> | | |
|---------------------------------------|-------------------------------|-------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2024 | \$ 228,300 | \$ 120,990 | \$ 349,290 |
| 2025 | 238,479 | 110,811 | 349,290 |
| 2026 | 249,112 | 100,179 | 349,291 |
| 2027 | 260,218 | 89,072 | 349,290 |
| 2028 | 271,821 | 77,469 | 349,290 |
| 2029 - 2033 | <u>1,552,070</u> | <u>194,380</u> | <u>1,746,450</u> |
| Total | <u>\$ 2,800,000</u> | <u>\$ 692,901</u> | <u>\$ 3,492,901</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

C. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The Code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The Code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2023, are a voted debt margin of \$73.1 million (including available funds of \$3.5 million) and an unvoted debt margin of \$1.1 million.

NOTE 12 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements, Board of Education policies and State laws. Teachers do not earn vacation. Support staff personnel assigned to work less than 240 days annually do not earn vacation. Support staff personnel assigned to work 240 days or more and managers earn annual vacation leave from 10 to 25 days, based on years of service. Administrators are entitled from 20 to 35 days of vacation leave annually, based on years of service or specific contractual terms. Administrators may not carry forward more than five vacation days, and those must be used by January 31st of the subsequent year.

All regular employees earn sick leave at a rate of one and one-fourth days per month. Support staff personnel and managers employed by the District for a minimum of two years, and eligible to retire pursuant to State statute, are entitled to severance benefits based on accumulated sick leave and years of service.

Teachers who resign with ten or more years of service or those who meet the requirements of Ohio Revised Code Section 124.39 - Section B may choose between one of two plans for their severance payment. Each plan offers a varying percentage of their sick leave balance ranging between 20% and 33% of their accumulated but unused sick leave, and some plans offer an additional payment depending upon their years of service ranging between \$600 and \$1,800 for each year. Teachers may choose between plans for which they are eligible. During fiscal year 2020, the District offered full-time teachers a one-time retirement incentive of \$20,000 if they retired/resigned as of June 30, 2020 and met certain experience requirements. This amount was above and beyond the severance payment mentioned previously and is to be directed to a Health Reimbursement Account (HRA) through a medical trust set up by the District for eligible teachers. Six teachers were eligible for this additional incentive. Up to \$30,000 of otherwise earned severance was eligible for contribution to this Health Reimbursement Account for anyone age 55 or over in the year of retirement as well, with this provision extending through June 30, 2023.

Classified non-union employees, with two or more years and who meet the requirements of ORC Section 124.39, are eligible for severance payments equal to 33% of their accumulated but unused sick leave to a maximum of 75 days.

Classified executive non-union secretaries who have been employed by the District for 30 years or who have reached their first year of eligibility to retire under the School Employees Retirement System rules may choose between one of two plans for their severance payment. Each plan offers a varying percentage of their sick leave balance ranging between 75% and 80% of their accumulated but unused sick leave depending upon years of service. Each plan also offers an additional payment depending upon their years of service ranging between \$200 and \$300 for each year of service. Classified executive non-union secretaries may choose between plans for which they are eligible.

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 12 - COMPENSATED ABSENCES - (Continued)

Classified union employees who have been employed by the District for at least two years and who meet the requirements of ORC Section 124.39 may choose between one of three plans for their severance payment. These plans offer a sick leave payment equal to either 33% or 60% of their accumulated but unused sick leave up to a maximum number of days depending upon the year of retirement and the plan chosen. In addition, employees with ten or more years of service are eligible for an additional payment depending upon their years of service ranging between \$50 and \$175 for each year of service with the District. Classified union employees may choose between plans for which they are eligible.

Administrators are eligible for severance payments equal to 33% of their accumulated but unused sick leave. Also, administrators will receive an amount equal to 30% of the administrator’s current daily rate for each day of accumulated sick leave beyond 120 days as certified by the Treasurer’s office. In addition, administrators shall receive a longevity payment equal to \$1,500 per year of employment as an administrator with the District if they retire. Administrators are also eligible for contribution to a Health Reimbursement Arrangement (HRA) through a medical trust set up by the District for eligible teachers. Up to \$80,000 of otherwise earned severance is eligible for contribution to this HRA as well, with this provision extending through June 30, 2023.

NOTE 13 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2023, the District contracted with various insurance companies through the Ohio Schools Council insurance program. Netherlands Insurance provides property, inland marine and crime insurance coverage. There is a \$10,000 deductible on building and contents, along with a \$1,000 deductible for employee dishonesty insurance with a \$500 deductible for forgery/alteration and computer fraud. The equipment breakdown coverage is provided by Liberty Mutual Fire Insurance Company. The coverage provides coverage up to the policy limit plus an additional \$2,000,000 limit (\$1MM Demolition/\$1MM Increase Cost of Construction) and a \$1,000 deductible.

Netherland Insurance provides fleet and liability insurance. Automobile liability has a limit of \$1,000,000 per accident/occurrence and an equal amount of uninsured motorist coverage with a \$1,000 deductible for comprehensive and \$1,000 deductible for collision and replacement buses 10 years and newer. The general liability provides coverage with a limit of \$1,000,000 per occurrence. Coverage provided by these companies was as follows:

| Coverage | Amount |
|---|----------------|
| Building and Contents- replacement cost | \$ 149,028,845 |
| Equipment Breakdown | Policy limit |
| Automobile Liability | 1,000,000 |
| General Liability: | |
| Per occurrence | 1,000,000 |
| General Aggregate | 2,000,000 |
| Umbrella | 15,000,000 |

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - RISK MANAGEMENT - (Continued)

B. Group Health, Prescription, Dental, Life and Vision Insurance

For fiscal year 2023, the District provided employee major medical, hospitalization and preventative care and prescription drug benefits through a self-insured program through the Suburban Health Consortium and administered by Medical Mutual of Ohio and Express Scripts, Inc. The Suburban Health Consortium (the "Consortium") is a legally separate entity organized under Ohio Revised Code Section 9.833 as a joint self-insurance pool (see Note 2.A.). The Consortium was established on October 1, 2001, formed by the Boards of Education of several school districts in northeast Ohio, for the purposes of maximizing benefits and reducing costs of group health, life, dental and/or other insurance coverage for their employees and the eligible dependents and designated beneficiaries of such employees.

The vast majority of the District's employees were covered by a PPO (preferred provider organization) plan with a co-insurance level of 90% subject to annual maximum amounts if they choose a network provider for services. The co-insurance level is 70% for non-network providers and is also subject to annual maximum amounts. The plan has a deductible of \$550 single/\$1,100 family for network services and \$1,100 single/\$2,200 family for non-network services. The deductible and co-insurance components, together, are subject to an annual out of pocket maximum amount. In addition, the plan required doctor's office, urgent care, emergency room and prescription drug co-pays. As of the plan year starting October 1, 2022, the District was responsible for 85% of the monthly funding rates (15% is employee portion of the funding rate contribution) of \$1,500.61 for family coverage and \$706.17 for single coverage for all full-time equivalent (FTE) staff. With the exception of OAPSE bargaining unit employees working 7 hours or greater, employees who are scheduled to work at a FTE below 1.0 but greater than 0.5 are eligible for this coverage, but they are required to pay the difference in premium based on the difference between 1.0 and their scheduled FTE on top of the aforementioned 15% employee premium contribution. The funding rate is generally paid by the fund that pays the salary for the employee.

The District also offered a "minimum value plan" that is designed to comply with the affordability requirements of the Affordable Care Act (ACA) federal health insurance legislation. This plan offers lower monthly premiums, but has much higher deductibles and out-of-pocket limits for employees to meet. This plan was initially only offered to non-union employees starting in fiscal year 2016 as union contracts were already in place for bargaining unit members. However, based on union contract extensions that were agreed to with the District's teaching union in April of 2016 and the District's classified OAPSE union in May of 2016, this plan was available to all employees starting July 1, 2016.

The District also provides employee dental benefits through a fully insured insurance program administered by CoreSource through the OASIS Trust that offers different levels of coverage through two plan structures. One plan is based on UCR (usual, customary and reasonable) that offers a higher level of coverage than the other plan, which is a lower percentage level of UCR coverage as it is based upon network provider participation. These plans provide dental benefits with a \$50 family and \$25 single deductible per year. For fiscal year 2023, premium rates were \$138.14 for a family plan and \$41.48 for a single plan per employee per month for the "high" plan for all certificated, classified and administrative staff. The District is responsible for 60% of these premiums for all employees who choose this option with exception of administrators for whom the District pays 100% of these premiums, and tutors, who bear the entire cost of this coverage. The employee is responsible for the other 40%. For fiscal year 2023, premium rates were \$94.53 for a family plan and \$28.38 for a single plan per employee per month for the "low" plan for all certificated and classified staff who choose this option with exception of tutors who bear the entire cost of this coverage. The District is responsible for 80% of these premiums and the employee is responsible for the other 20% for all employees who choose this option. Any employee who is scheduled to work at a FTE below 1.0 but greater than 0.5 is eligible for this coverage, but they are required to pay the difference in premium based on the difference between 1.0 and their scheduled FTE on top of the 40% "high" plan/20% "low" plan employee premium contribution. The premium is generally paid by the fund that pays the salary for the employee.

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 13 - RISK MANAGEMENT - (Continued)

A group life with accidental death and dismemberment insurance plan, administered by OneAmerica through the Ohio School Council life insurance program, is maintained for all employees who are scheduled to work at least a 0.5 FTE basis. The dollar amount of coverage ranges from \$30,000 - \$50,000 and is based on an employee's position within the District. The entire premium cost of \$0.10 per \$1,000 of coverage per month is paid by the District. The Superintendent and Treasurer/CFO are covered for higher limits at comparable rates.

A group vision plan is also offered by the District to all employees through EyeMed. Employees who elect this coverage are responsible for 100% of the monthly premium.

C. Workers' Compensation Program

The District participates in the Ohio Schools Council Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefits of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The worker's compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its worker's compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings is then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, LLC provides administrative, cost control and actuarial services to the GRP.

NOTE 14 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

The net pension liability and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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

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

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

| | Eligible to Retire on or before August 1, 2017 * | Eligible to Retire 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.

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

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. In 2022, the Board of Trustees approved a 2.5% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2023.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the District is required to contribute 14.00% 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 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The District's contractually required contribution to SERS was \$754,617 for fiscal year 2023. Of this amount, \$84,548 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (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. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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

The DC Plan allows members to place all of 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 liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan 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 Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 and after termination of employment.

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

A DB or Combined Plan member with five or more years of credited service, who is determined to be disabled, may qualify for a disability benefit. New members, on or after July 1, 2013, must have at least ten 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. The fiscal year 2023 employer and employee contribution rate of 14% was equal to the statutory maximum rates. For fiscal year 2023, the full employer contribution was allocated to pension.

The District's contractually required contribution to STRS was \$2,887,022 for fiscal year 2023. Of this amount, \$493,520 is reported as pension and postemployment benefits payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 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 contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|----------------------|----------------------|---------------|
| Proportion of the net pension liability prior measurement date | 0.144035900% | 0.164644748% | |
| Proportion of the net pension liability current measurement date | <u>0.141058000%</u> | <u>0.155709670%</u> | |
| Change in proportionate share | <u>-0.002977900%</u> | <u>-0.008935078%</u> | |
| Proportionate share of the net pension liability | \$ 7,629,514 | \$ 34,614,456 | \$ 42,243,970 |
| Pension expense | \$ 272,918 | \$ 3,518,794 | \$ 3,791,712 |

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|---------------------|---------------------|---------------------|
| Deferred outflows of resources | | | |
| Differences between expected and actual experience | \$ 309,001 | \$ 443,109 | \$ 752,110 |
| Net difference between projected and actual earnings on pension plan investments | - | 1,204,506 | 1,204,506 |
| Changes of assumptions | 75,282 | 4,142,311 | 4,217,593 |
| Contributions subsequent to the measurement date | <u>754,617</u> | <u>2,887,022</u> | <u>3,641,639</u> |
| Total deferred outflows of resources | <u>\$ 1,138,900</u> | <u>\$ 8,676,948</u> | <u>\$ 9,815,848</u> |

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|-------------------|---------------------|---------------------|
| Deferred inflows of resources | | | |
| Differences between expected and actual experience | \$ 50,085 | \$ 132,411 | \$ 182,496 |
| Net difference between projected and actual earnings on pension plan investments | 266,236 | - | 266,236 |
| Changes of assumptions | - | 3,117,969 | 3,117,969 |
| Difference between employer contributions and proportionate share of contributions/ change in proportionate share | <u>104,165</u> | <u>1,535,997</u> | <u>1,640,162</u> |
| Total deferred inflows of resources | <u>\$ 420,486</u> | <u>\$ 4,786,377</u> | <u>\$ 5,206,863</u> |

\$3,641,639 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 the net pension liability in the fiscal year ending June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|-----------------------------|--------------------|---------------------|-------------------|
| Fiscal Year Ending June 30: | | | |
| 2024 | \$ (25,264) | \$ (435,118) | \$ (460,382) |
| 2025 | (73,057) | (636,509) | (709,566) |
| 2026 | (380,322) | (1,435,293) | (1,815,615) |
| 2027 | <u>442,440</u> | <u>3,510,469</u> | <u>3,952,909</u> |
| Total | <u>\$ (36,203)</u> | <u>\$ 1,003,549</u> | <u>\$ 967,346</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - SERS

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

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

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

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

| | |
|---|---|
| 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% |
| COLA or ad hoc COLA: | |
| Current measurement date | 2.00% |
| Prior measurement date | 2.00% |
| Investment rate of return: | |
| Current measurement date | 7.00% net of system expenses |
| Prior measurement date | 7.00% net of system expenses |
| Discount rate: | |
| Current measurement date | 7.00% |
| Prior measurement date | 7.00% |
| Actuarial cost method | Entry age normal (level percent of payroll) |

In 2022, mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. 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. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

In the prior measurement date, mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. 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. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term return expectation for the Pension Plan Investments has been determined 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 average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

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 Strategy | 4.00 | 3.39 |
| Private Debt/Private Credit | 3.00 | 5.38 |
| Total | <u>100.00 %</u> | |

Discount Rate - The total pension liability was calculated using the discount rate of 7.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00%). 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 7.00%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%), or one percentage point higher (8.00%) than the current rate.

| | <u>1% Decrease</u> | <u>Current Discount Rate</u> | <u>1% Increase</u> |
|--|--------------------|----------------------------------|--------------------|
| District's proportionate share of the net pension liability | \$ 11,230,280 | \$ 7,629,514 | \$ 4,595,917 |

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

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

| | June 30, 2022 | June 30, 2021 |
|--------------------------------------|---|---|
| Inflation | 2.50% | 2.50% |
| Projected salary increases | Varies by service from 2.50% to 8.50% | 12.50% at age 20 to 2.50% at age 65 |
| Investment rate of return | 7.00%, net of investment expenses, including inflation | 7.00%, net of investment expenses, including inflation |
| Discount rate of return | 7.00% | 7.00% |
| Payroll increases | 3.00% | 3.00% |
| Cost-of-living adjustments (COLA) | 0.00% | 0.00% |

For the June 30, 2022 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

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

| Asset Class | Target Allocation* | Long-Term Expected Real Rate of Return ** |
|----------------------|-----------------------|--|
| Domestic Equity | 26.00 % | 6.60 % |
| International Equity | 22.00 | 6.80 |
| Alternatives | 19.00 | 7.38 |
| Fixed Income | 22.00 | 1.75 |
| Real Estate | 10.00 | 5.75 |
| Liquidity Reserves | 1.00 | 1.00 |
| Total | <u>100.00 %</u> | |

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and is net of investment expenses. Over a 30-year period, STRS Ohio’s investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described previously. 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 Ohio’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments 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 represents the net pension liability as of June 30, 2022, calculated using the current period discount rate assumption of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption:

| | 1% Decrease | Current Discount Rate | 1% Increase |
|--|---------------|--------------------------|---------------|
| District's proportionate share of the net pension liability | \$ 52,289,841 | \$ 34,614,456 | \$ 19,666,552 |

Changes Between Measurement Date and Reporting Date - STRS approved a one-time 1.00% cost-of-living adjustment to eligible benefit recipients effective July 1, 2023. It is unknown what effect this change will have on the net pension liability.

NOTE 15 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 14 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2023, SERS did not allocate any employer contributions to post-employment 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, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the District's surcharge obligation was \$97,128.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$97,128 for fiscal year 2023. Of this amount, \$97,128 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. 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.

OPEB Liabilities/Assets, 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/asset 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.

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Following is information related to the proportionate share and OPEB expense:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|---|----------------------|----------------------|--------------|
| Proportion of the net OPEB liability/asset prior measurement date | 0.148145000% | 0.164644748% | |
| Proportion of the net OPEB liability/asset current measurement date | <u>0.143934600%</u> | <u>0.155709670%</u> | |
| Change in proportionate share | <u>-0.004210400%</u> | <u>-0.008935078%</u> | |
| Proportionate share of the net OPEB liability | \$ 2,020,857 | \$ - | \$ 2,020,857 |
| Proportionate share of the net OPEB asset | \$ - | \$ 4,031,841 | \$ 4,031,841 |
| OPEB expense | \$ (203,465) | \$ (719,217) | \$ (922,682) |

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

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|---|---------------------|---------------------|---------------------|
| Deferred outflows of resources | | | |
| Differences between expected and actual experience | \$ 16,990 | \$ 58,449 | \$ 75,439 |
| Net difference between projected and actual earnings on OPEB plan investments | 10,504 | 70,184 | 80,688 |
| Changes of assumptions | 321,445 | 171,740 | 493,185 |
| Difference between employer contributions and proportionate share of contributions/ change in proportionate share | 19,642 | 19,576 | 39,218 |
| Contributions subsequent to the measurement date | <u>97,128</u> | <u>-</u> | <u>97,128</u> |
| Total deferred outflows of resources | <u>\$ 465,709</u> | <u>\$ 319,949</u> | <u>\$ 785,658</u> |
| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
| Deferred inflows of resources | | | |
| Differences between expected and actual experience | \$ 1,292,688 | \$ 605,511 | \$ 1,898,199 |
| Changes of assumptions | 829,577 | 2,858,969 | 3,688,546 |
| Difference between employer contributions and proportionate share of contributions/ change in proportionate share | <u>275,277</u> | <u>351</u> | <u>275,628</u> |
| Total deferred inflows of resources | <u>\$ 2,397,542</u> | <u>\$ 3,464,831</u> | <u>\$ 5,862,373</u> |

\$97,128 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 fiscal year ending June 30, 2024.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30: | SERS | STRS | Total |
|-----------------------------|----------------|----------------|----------------|
| 2024 | \$ (471,855) | \$ (917,397) | \$ (1,389,252) |
| 2025 | (448,510) | (907,325) | (1,355,835) |
| 2026 | (390,741) | (431,240) | (821,981) |
| 2027 | (263,845) | (179,090) | (442,935) |
| 2028 | (177,451) | (234,600) | (412,051) |
| Thereafter | (276,559) | (475,230) | (751,789) |
| Total | \$ (2,028,961) | \$ (3,144,882) | \$ (5,173,843) |

Actuarial Assumptions - SERS

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

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

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

**ROCKY RIVER CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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% |

Investment rate of return:

| | |
|--------------------------|---|
| Current measurement date | 7.00% net of investment expense, including inflation |
| Prior measurement date | 7.00% net of investment expense, including inflation |

Municipal bond index rate:

| | |
|--------------------------|-------|
| Current measurement date | 3.69% |
| Prior measurement date | 1.92% |

Single equivalent interest rate, net of plan investment expense,
including price inflation:

| | |
|--------------------------|-------|
| Current measurement date | 4.08% |
| Prior measurement date | 2.27% |

Medical trend assumption:

| | |
|--------------------------|-----------------|
| Current measurement date | 7.00 to 4.40% |
| Prior measurement date | |
| Medicare | 5.125 to 4.400% |
| Pre-Medicare | 6.750 to 4.400% |

In 2022, mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. 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. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

In the prior measurement date, mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality 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. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five-year period ended June 30, 2020.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

The long-term expected rate of return on plan assets is reviewed as part of the actuarial 5-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|-----------------------------|----------------------|---|
| Cash | 2.00 % | (0.45) % |
| US Equity | 24.75 | 5.37 |
| Non-US Equity Developed | 13.50 | 6.22 |
| Non-US Equity Emerging | 6.75 | 8.22 |
| Fixed Income/Global Bonds | 19.00 | 1.20 |
| Private Equity | 11.00 | 10.05 |
| Real Estate/Real Assets | 16.00 | 4.87 |
| Multi-Asset Strategy | 4.00 | 3.39 |
| Private Debt/Private Credit | 3.00 | 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 discount rate used to measure total OPEB liability prior to June 30, 2022, was 2.27%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022 and the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69% at June 30, 2022 and 1.92% at June 30, 2021.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability, what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) and higher (5.08%) than the current discount rate (4.08%). Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---|--------------|--------------------------|--------------|
| District's proportionate share of the net OPEB liability | \$ 2,509,935 | \$ 2,020,857 | \$ 1,626,038 |

| | 1% Decrease | Current Trend Rate | 1% Increase |
|---|--------------|-----------------------|--------------|
| District's proportionate share of the net OPEB liability | \$ 1,558,443 | \$ 2,020,857 | \$ 2,624,844 |

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022 actuarial valuation, compared with June 30, 2021 actuarial valuation, are presented below:

| | June 30, 2022 | | June 30, 2021 | |
|--------------------------------------|---|----------|---|----------|
| Inflation | 2.50% | | 2.50% | |
| Projected salary increases | Varies by service from 2.50% to 8.50% | | 12.50% at age 20 to 2.50% at age 65 | |
| Investment rate of return | 7.00%, net of investment expenses, including inflation | | 7.00%, net of investment expenses, including inflation | |
| Payroll increases | 3.00% | | 3.00% | |
| Cost-of-living adjustments (COLA) | 0.00% | | 0.00% | |
| Discount rate of return | 7.00% | | 7.00% | |
| Blended discount rate of return | N/A | | N/A | |
| Health care cost trends | | | | |
| | 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% |

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

For the June 30, 2022 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Assumption Changes Since the Prior Measurement Date - The discount rate remained unchanged at 7.00% for the June 30, 2022 valuation.

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

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 | 1.00 | 1.00 |
| Total | <u>100.00 %</u> | |

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

**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and is net of investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care fund investments of 7.00% 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 and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2022, calculated using the current period discount rate assumption of 7.00%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---|--------------|--------------------------|--------------|
| District's proportionate share of the net OPEB asset | \$ 3,733,560 | \$ 4,031,841 | \$ 4,292,680 |
| | | | |
| | 1% Decrease | Current Trend Rate | 1% Increase |
| District's proportionate share of the net OPEB asset | \$ 4,182,000 | \$ 4,031,841 | \$ 3,842,303 |

NOTE 16 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

The District is party to legal proceedings pertaining to tax appeals of certain assessed valuations. The District is appealing certain business' assessed valuations to have the values increased. District management believes that ultimate outcome of this litigation will result in either no action taken, a tax settlement, or an increase in the respective business' assessed valuations and owed tax payments on the new valuations. Regardless, management is of the opinion that the ultimate outcome will not have a material effect, if any, on the financial condition of the District.

C. Foundation Funding

Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE adjustments for fiscal year 2023 were finalized and determined to be insignificant; therefore, these adjustments were not recorded in the accompanying financial statements.

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

While 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 and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) 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 is as follows:

Net Change in Fund Balance

| | <u>General Fund</u> |
|---|---------------------|
| Budget basis | \$ 1,358,118 |
| Net adjustment for revenue accruals | 2,437,635 |
| Net adjustment for expenditure accruals | (8,957) |
| Net adjustment for other sources/uses | (43,976) |
| Funds budgeted elsewhere | 53,633 |
| Adjustment for encumbrances | 940,866 |
| GAAP basis | <u>\$ 4,737,319</u> |

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These includes unclaimed monies fund, the uniform school supplies fund, the building rotary fund, the employee withholding fund, and the public school support fund.

NOTE 18 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 18 - SET-ASIDES - (Continued)

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

| | <u>Capital Improvements</u> |
|---|---------------------------------|
| Set-aside balance June 30, 2022 | \$ - |
| Current year set-aside requirement | 564,407 |
| Current year qualifying expenditures | <u>(1,365,690)</u> |
| Total | <u>\$ (801,283)</u> |
| Balance carried forward to fiscal year 2024 | <u>\$ -</u> |
| Set-aside balance June 30, 2023 | <u>\$ -</u> |

NOTE 19 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

The City of Fairview Park has entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) program with the taxing districts of the District. The CRA program are directive incentive tax exemption programs benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. The CRA agreement entered into by the City of Fairview Park resulted in the District’s property taxes being reduced by \$42,329 in fiscal year 2023. The District is not receiving any amounts from these other governments in association with the forgone property tax revenue.

NOTE 20 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During fiscal year 2023, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

NOTE 21 - SIGNIFICANT SUBSEQUENT EVENTS

Manuscript Notes

On July 1, 2023, the District issued bus acquisition notes (manuscript notes) in the amount of \$49,207. The notes bear an interest rate of 2.00% and mature on July 1, 2024.

On July 3, 2023, the District issued bus acquisition notes (manuscript notes) in the amount of \$106,305. The notes bear an interest rate of 2.00% and mature on July 3, 2024.

On July 1, 2023, the District issued bus acquisition notes (manuscript notes) in the amount of \$138,422. The notes bear an interest rate of 2.00% and mature on July 1, 2024.

On July 1, 2023, the District issued bus acquisition notes (manuscript notes) in the amount of \$83,301. The notes bear an interest rate of 2.00% and mature on July 1, 2024.

On July 1, 2023, the District issued bus acquisition notes (manuscript notes) in the amount of \$250,310. The notes bear an interest rate of 2.00% and mature on July 1, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|--------------|--------------|--------------|--------------|
| District's proportion of the net pension liability | 0.14105800% | 0.14403590% | 0.14453580% | 0.14842700% |
| District's proportionate share of the net pension liability | \$ 7,629,514 | \$ 5,314,507 | \$ 9,559,902 | \$ 8,880,648 |
| District's covered payroll | \$ 5,440,357 | \$ 4,948,021 | \$ 4,965,414 | \$ 5,219,052 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 140.24% | 107.41% | 192.53% | 170.16% |
| Plan fiduciary net position as a percentage of the total pension liability | 75.82% | 82.86% | 68.55% | 70.85% |

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--------------|--------------|---------------|--------------|--------------|--------------|
| 0.14776650% | 0.15382220% | 0.15661080% | 0.15155960% | 0.15519200% | 0.15519200% |
| \$ 8,462,861 | \$ 9,190,537 | \$ 11,462,466 | \$ 8,648,138 | \$ 7,854,179 | \$ 9,228,770 |
| \$ 4,980,563 | \$ 4,592,379 | \$ 5,269,743 | \$ 4,562,739 | \$ 4,509,574 | \$ 4,438,288 |
| 169.92% | 200.13% | 217.51% | 189.54% | 174.17% | 207.94% |
| 71.36% | 69.50% | 62.98% | 69.16% | 71.70% | 65.52% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|---------------|---------------|---------------|---------------|
| District's proportion of the net pension liability | 0.15570967% | 0.16464475% | 0.16424379% | 0.16462032% |
| District's proportionate share of the net pension liability | \$ 34,614,456 | \$ 21,051,311 | \$ 39,741,153 | \$ 36,404,794 |
| District's covered payroll | \$ 20,419,621 | \$ 20,369,714 | \$ 19,850,829 | \$ 19,397,207 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 169.52% | 103.35% | 200.20% | 187.68% |
| Plan fiduciary net position as a percentage of the total pension liability | 78.88% | 87.78% | 75.48% | 77.40% |

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 0.16423764% | 0.16362292% | 0.16309969% | 0.15338616% | 0.15187486% | 0.15187486% |
| \$ 36,112,169 | \$ 38,868,975 | \$ 54,594,383 | \$ 42,391,448 | \$ 36,941,222 | \$ 44,004,142 |
| \$ 18,817,021 | \$ 18,220,479 | \$ 17,246,364 | \$ 16,003,279 | \$ 15,517,415 | \$ 15,700,946 |
| 191.91% | 213.33% | 316.56% | 264.89% | 238.06% | 280.26% |
| 77.31% | 75.30% | 66.80% | 72.10% | 74.70% | 69.30% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|------------------|------------------|
| Contractually required contribution | \$ 754,617 | \$ 761,650 | \$ 692,723 | \$ 695,158 |
| Contributions in relation to the contractually required contribution | <u>(754,617)</u> | <u>(761,650)</u> | <u>(692,723)</u> | <u>(695,158)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 5,390,121 | \$ 5,440,357 | \$ 4,948,021 | \$ 4,965,414 |
| Contributions as a percentage of covered payroll | 14.00% | 14.00% | 14.00% | 14.00% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 704,572 | \$ 672,376 | \$ 642,933 | \$ 737,764 | \$ 601,369 | \$ 625,027 |
| <u>(704,572)</u> | <u>(672,376)</u> | <u>(642,933)</u> | <u>(737,764)</u> | <u>(601,369)</u> | <u>(625,027)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 5,219,052 | \$ 4,980,563 | \$ 4,592,379 | \$ 5,269,743 | \$ 4,562,739 | \$ 4,509,574 |
| 13.50% | 13.50% | 14.00% | 14.00% | 13.18% | 13.86% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|--------------------|--------------------|--------------------|--------------------|
| Contractually required contribution | \$ 2,887,022 | \$ 2,858,747 | \$ 2,851,760 | \$ 2,779,116 |
| Contributions in relation to the contractually required contribution | <u>(2,887,022)</u> | <u>(2,858,747)</u> | <u>(2,851,760)</u> | <u>(2,779,116)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 20,621,586 | \$ 20,419,621 | \$ 20,369,714 | \$ 19,850,829 |
| Contributions as a percentage of covered payroll | 14.00% | 14.00% | 14.00% | 14.00% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 2,715,609 | \$ 2,634,383 | \$ 2,550,867 | \$ 2,414,491 | \$ 2,240,459 | \$ 2,017,264 |
| <u>(2,715,609)</u> | <u>(2,634,383)</u> | <u>(2,550,867)</u> | <u>(2,414,491)</u> | <u>(2,240,459)</u> | <u>(2,017,264)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 19,397,207 | \$ 18,817,021 | \$ 18,220,479 | \$ 17,246,364 | \$ 16,003,279 | \$ 15,517,415 |
| 14.00% | 14.00% | 14.00% | 14.00% | 14.00% | 13.00% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET)
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST SEVEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|---|--------------|--------------|--------------|--------------|
| District's proportion of the net OPEB liability | 0.14393460% | 0.14814500% | 0.15018990% | 0.15196420% |
| District's proportionate share of the net OPEB liability | \$ 2,020,857 | \$ 2,803,766 | \$ 3,264,118 | \$ 3,821,580 |
| District's covered payroll | \$ 5,440,357 | \$ 4,948,021 | \$ 4,965,414 | \$ 5,219,052 |
| District's proportionate share of the net OPEB liability as a percentage of its covered payroll | 37.15% | 56.66% | 65.74% | 73.22% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 30.34% | 24.08% | 18.17% | 15.57% |

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|----|-------------|--------------|--------------|
| | 0.15003030% | 0.15590980% | 0.15844465% |
| \$ | 4,162,246 | \$ 4,184,209 | \$ 4,516,259 |
| \$ | 4,980,563 | \$ 4,592,379 | \$ 5,269,743 |
| | 83.57% | 91.11% | 85.70% |
| | 13.57% | 12.46% | 11.49% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/(ASSET)
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST SEVEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|---|----------------|----------------|----------------|----------------|
| District's proportion of the net OPEB liability/asset | 0.15570967% | 0.16464475% | 0.16424379% | 0.16462032% |
| District's proportionate share of the net OPEB liability/(asset) | \$ (4,031,841) | \$ (3,471,400) | \$ (2,886,583) | \$ (2,726,507) |
| District's covered payroll | \$ 20,419,621 | \$ 20,369,714 | \$ 19,850,829 | \$ 19,397,207 |
| District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll | 19.74% | 17.04% | 14.54% | 14.06% |
| Plan fiduciary net position as a percentage of the total OPEB liability/asset | 230.73% | 174.73% | 182.10% | 174.70% |

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|----|-------------|---------------|---------------|
| | 0.16423764% | 0.16362292% | 0.16309969% |
| \$ | (2,639,131) | \$ 6,383,963 | \$ 8,722,614 |
| \$ | 18,817,021 | \$ 18,220,479 | \$ 17,246,364 |
| | 14.03% | 35.04% | 50.58% |
| | 176.00% | 47.10% | 37.33% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|-----------------|-----------------|-----------------|-----------------|
| Contractually required contribution | \$ 97,128 | \$ 92,471 | \$ 93,439 | \$ 97,457 |
| Contributions in relation to the contractually required contribution | <u>(97,128)</u> | <u>(92,471)</u> | <u>(93,439)</u> | <u>(97,457)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 5,390,121 | \$ 5,440,357 | \$ 4,948,021 | \$ 4,965,414 |
| Contributions as a percentage of covered payroll | 1.80% | 1.70% | 1.89% | 1.96% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|------------------|------------------|-----------------|-----------------|------------------|-----------------|
| \$ 118,173 | \$ 106,494 | \$ 84,123 | \$ 79,044 | \$ 113,122 | \$ 80,846 |
| <u>(118,173)</u> | <u>(106,494)</u> | <u>(84,123)</u> | <u>(79,044)</u> | <u>(113,122)</u> | <u>(80,846)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 5,219,052 | \$ 4,980,563 | \$ 4,592,379 | \$ 5,269,743 | \$ 4,562,739 | \$ 4,509,574 |
| 2.26% | 2.14% | 1.83% | 1.50% | 2.48% | 1.79% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|---------------|---------------|---------------|---------------|
| Contractually required contribution | \$ - | \$ - | \$ - | \$ - |
| Contributions in relation to the contractually required contribution | - | - | - | - |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | \$ 20,621,586 | \$ 20,419,621 | \$ 20,369,714 | \$ 19,850,829 |
| Contributions as a percentage of covered payroll | 0.00% | 0.00% | 0.00% | 0.00% |

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 157,374 |
| - | - | - | - | - | (157,374) |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 19,397,207 | \$ 18,817,021 | \$ 18,220,479 | \$ 17,246,364 | \$ 16,003,279 | \$ 15,517,415 |
| 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.00% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.

(Continued)

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PENSION (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2014.
- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) 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, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50%

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- There were no changes in benefit terms from the amounts reported for fiscal year 2018.
- There were no changes in benefit terms from the amounts reported for fiscal year 2019.
- There were no changes in benefit terms from the amounts reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts reported for fiscal year 2021.
- There were no changes in benefit terms from the amounts reported for fiscal year 2022.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.

(Continued)

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO (CONTINUED)

Changes in assumptions :

- For fiscal year 2017, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.
- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.
- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.

(Continued)

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% 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 fiscal year 2021, 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 fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2023.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) 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), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) 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 and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.

(Continued)

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO (CONTINUED)

Changes in assumptions (continued):

- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from -16.18% initial - 4.00% ultimate to -68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to -5.47% initial - 3.94% ultimate.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES
SUPPLEMENTAL INFORMATION

ROCKY RIVER CITY SCHOOL DISTRICT

MAJOR GOVERNMENTAL FUND

General Fund

The general fund accounts for and reports all financial resources not accounted for and reported in another fund. These general fund's activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation and administration.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|------------------------------|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Property taxes | \$ 36,259,460 | \$ 38,826,274 | \$ 38,700,209 | \$ (126,065) |
| Intergovernmental | 5,708,115 | 6,112,194 | 6,056,803 | (55,391) |
| Investment earnings | 429,609 | 460,021 | 467,808 | 7,787 |
| Transportation | 68,084 | 72,904 | 55,939 | (16,965) |
| Tuition and fees | 463,385 | 496,188 | 513,657 | 17,469 |
| Rentals | 24,530 | 26,266 | 41,785 | 15,519 |
| Contributions and donations | - | - | 150 | 150 |
| Charges for services | 48,634 | 52,077 | 35,348 | (16,729) |
| Payment in lieu of taxes | 138,532 | 148,339 | 274,339 | 126,000 |
| Miscellaneous | 13,979 | 14,969 | 6,432 | (8,537) |
| <i>Total revenues</i> | <u>43,154,328</u> | <u>46,209,232</u> | <u>46,152,470</u> | <u>(56,762)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Salaries and wages | 13,497,322 | 13,459,699 | 13,368,622 | 91,077 |
| Fringe benefits | 3,651,535 | 3,743,305 | 3,720,536 | 22,769 |
| Purchased services | 927,744 | 1,578,976 | 1,578,976 | - |
| Materials and supplies | 807,914 | 733,506 | 733,506 | - |
| Capital outlay | 216,435 | 196,534 | 196,533 | 1 |
| Other | 31,515 | 11,807 | 11,807 | - |
| Total instruction-regular | <u>19,132,465</u> | <u>19,723,827</u> | <u>19,609,980</u> | <u>113,847</u> |
| Instruction-special: | | | | |
| Salaries and wages | 3,758,255 | 3,611,838 | 3,541,542 | 70,296 |
| Fringe benefits | 1,152,113 | 1,139,310 | 1,127,594 | 11,716 |
| Purchased services | 1,956,339 | 1,420,935 | 1,385,787 | 35,148 |
| Materials and supplies | 34,148 | 28,174 | 28,174 | - |
| Capital outlay | 25,980 | 432 | 432 | - |
| Other | 2,500 | 2,420 | 2,420 | - |
| Total instruction-special | <u>6,929,335</u> | <u>6,203,109</u> | <u>6,085,949</u> | <u>117,160</u> |
| Instruction-vocational: | | | | |
| Purchased services | 825,000 | 714,838 | 714,838 | - |
| Total instruction-vocational | <u>825,000</u> | <u>714,838</u> | <u>714,838</u> | <u>-</u> |
| Instruction-other: | | | | |
| Salaries and wages | 306,700 | 148,991 | 133,331 | 15,660 |
| Fringe benefits | 130,557 | 132,602 | 128,687 | 3,915 |
| Purchased services | 2,589 | 3,425 | 3,425 | - |
| Total instruction-other | <u>439,846</u> | <u>285,018</u> | <u>265,443</u> | <u>19,575</u> |
| Support services-pupil: | | | | |
| Salaries and wages | 1,574,317 | 1,565,139 | 1,565,139 | - |
| Fringe benefits | 439,345 | 416,242 | 416,242 | - |
| Purchased services | 881,712 | 899,892 | 899,892 | - |
| Materials and supplies | 37,258 | 26,662 | 26,662 | - |
| Capital outlay | 4,843 | 2,992 | 2,992 | - |
| Other | 10,553 | 16,917 | 16,917 | - |
| Total support services-pupil | <u>2,948,028</u> | <u>2,927,844</u> | <u>2,927,844</u> | <u>-</u> |

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|------------|---|
| | Original | Final | | |
| Support services-instructional staff: | | | | |
| Salaries and wages | \$ 426,800 | \$ 397,390 | \$ 397,390 | \$ - |
| Fringe benefits | 214,592 | 221,855 | 221,855 | - |
| Purchased services | 179,467 | 158,950 | 158,950 | - |
| Materials and supplies | 11,014 | 4,448 | 4,448 | - |
| Capital outlay | 330 | - | - | - |
| Other | 810 | 299 | 299 | - |
| Total support services-instructional staff | 833,013 | 782,942 | 782,942 | - |
| Support services-board of education: | | | | |
| Salaries and wages | 7,500 | 20,000 | 20,000 | - |
| Fringe benefits | 1,155 | 3,940 | 3,940 | - |
| Purchased services | 13,450 | 11,472 | 11,472 | - |
| Materials and supplies | 771 | 197 | 197 | - |
| Capital outlay | 2,130 | - | - | - |
| Other | 15,453 | 14,347 | 14,347 | - |
| Total support services-board of education | 40,459 | 49,956 | 49,956 | - |
| Support services-administration: | | | | |
| Salaries and wages | 1,786,669 | 1,813,214 | 1,813,214 | - |
| Fringe benefits | 765,156 | 745,947 | 745,947 | - |
| Purchased services | 56,920 | 21,668 | 21,668 | - |
| Materials and supplies | 20,211 | 9,140 | 9,140 | - |
| Capital outlay | 2,769 | 2,298 | 2,298 | - |
| Other | 4,907 | 4,745 | 4,745 | - |
| Total support services-administration | 2,636,632 | 2,597,012 | 2,597,012 | - |
| Support services-fiscal: | | | | |
| Salaries and wages | 312,500 | 303,245 | 303,245 | - |
| Fringe benefits | 115,953 | 109,080 | 109,080 | - |
| Purchased services | 253,648 | 277,551 | 277,551 | - |
| Materials and supplies | 20,950 | 20,090 | 20,090 | - |
| Capital outlay | 1,000 | 990 | 990 | - |
| Other | 624,390 | 724,257 | 724,257 | - |
| Total support services-fiscal | 1,328,441 | 1,435,213 | 1,435,213 | - |
| Support services-business: | | | | |
| Salaries and wages | 140,000 | 126,758 | 126,758 | - |
| Fringe benefits | 61,438 | 61,406 | 61,406 | - |
| Purchased services | 287,164 | 280,357 | 280,357 | - |
| Materials and supplies | 48,514 | 56,685 | 56,685 | - |
| Capital outlay | 9,149 | 2,908 | 2,908 | - |
| Other | 32,000 | 76,132 | 76,132 | - |
| Total support services-business | 578,265 | 604,246 | 604,246 | - |

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | Actual | |
| Support services-operations and maintenance: | | | | |
| Salaries and wages | \$ 1,639,841 | \$ 1,692,865 | \$ 1,680,538 | \$ 12,327 |
| Fringe benefits | 646,826 | 647,395 | 644,313 | 3,082 |
| Purchased services | 2,232,691 | 2,112,458 | 2,112,458 | - |
| Materials and supplies | 279,399 | 281,068 | 281,068 | - |
| Capital outlay | 176,747 | 478,017 | 478,017 | - |
| Other | 580 | 275 | 275 | - |
| Total support services-operations and maintenance | <u>4,976,084</u> | <u>5,212,078</u> | <u>5,196,669</u> | <u>15,409</u> |
| Support services-pupil transportation: | | | | |
| Salaries and wages | 998,353 | 943,874 | 943,874 | - |
| Fringe benefits | 322,469 | 286,441 | 286,441 | - |
| Purchased services | 517,492 | 497,422 | 497,422 | - |
| Materials and supplies | 192,274 | 203,996 | 203,996 | - |
| Capital outlay | 14,548 | 2,508 | 2,508 | - |
| Total support services-pupil transportation | <u>2,045,136</u> | <u>1,934,241</u> | <u>1,934,241</u> | <u>-</u> |
| Support services-central: | | | | |
| Salaries and wages | 394,500 | 411,452 | 411,452 | - |
| Fringe benefits | 211,118 | 175,573 | 175,573 | - |
| Purchased services | 277,389 | 297,763 | 297,763 | - |
| Materials and supplies | 124,869 | 101,528 | 101,528 | - |
| Capital outlay | 14,650 | 1,997 | 1,997 | - |
| Other | 4,450 | 3,348 | 3,348 | - |
| Total support services-central | <u>1,026,976</u> | <u>991,661</u> | <u>991,661</u> | <u>-</u> |
| Operation of non-instructional services - other non-instructional services: | | | | |
| Salaries and wages | 16,952 | 16,936 | 16,936 | - |
| Fringe benefits | 350 | 246 | 246 | - |
| Other | 2,600 | 2,568 | 2,568 | - |
| Total operation on non-instructional services - other non-instructional services | <u>19,902</u> | <u>19,750</u> | <u>19,750</u> | <u>-</u> |
| Extracurricular activities: | | | | |
| Salaries and wages | 796,203 | 931,805 | 931,805 | - |
| Fringe benefits | 148,541 | 146,591 | 146,591 | - |
| Purchased services | 454,276 | 87,217 | 87,217 | - |
| Materials and supplies | 11,319 | 9,765 | 9,765 | - |
| Capital outlay | 7,560 | 5,065 | 5,065 | - |
| Other | 800 | 2,291 | 2,291 | - |
| Total extracurricular activities | <u>1,418,699</u> | <u>1,182,734</u> | <u>1,182,734</u> | <u>-</u> |
| Facilities acquisition and construction | | | | |
| Purchased Services | <u>5,000</u> | - | - | - |
| Total facilities acquisition and construction | <u>5,000</u> | - | - | - |
| <i>Total expenditures</i> | <u>45,183,281</u> | <u>44,664,469</u> | <u>44,398,478</u> | <u>265,991</u> |

-- Continued

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|----------------------|----------------------|---|
| | Original | Final | | |
| <i>Excess of revenues (under) expenditures</i> | \$ (2,028,953) | \$ 1,544,763 | \$ 1,753,992 | \$ 209,229 |
| Other financing sources (uses): | | | | |
| Refund of prior year's expenditures | 32,005 | 34,271 | 25,003 | (9,268) |
| Transfers in | 163,431 | 175,000 | 175,000 | - |
| Transfers out | (523,350) | (614,850) | (614,850) | - |
| Advances in | 14,665 | 15,703 | - | (15,703) |
| Advances out | - | - | - | - |
| Sale of assets | 378 | 405 | 18,973 | 18,568 |
| <i>Total other financing sources (uses)</i> | (312,871) | (389,471) | (395,874) | (6,403) |
| <i>Net change in fund balance</i> | (2,341,824) | 1,155,292 | 1,358,118 | 202,826 |
| <i>Fund balance at beginning of year</i> | 9,684,287 | 9,684,287 | 9,684,287 | - |
| <i>Prior year encumbrances appropriated</i> | 915,136 | 915,136 | 915,136 | - |
| <i>Fund balance at end of year</i> | <u>\$ 8,257,599</u> | <u>\$ 11,754,715</u> | <u>\$ 11,957,541</u> | <u>\$ 202,826</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|--------------------------------------|----------------------------------|---------------------------------------|--|
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 789,708 | \$ 2,548,828 | \$ 3,464,443 | \$ 6,802,979 |
| Cash with escrow agent | - | - | 743,344 | 743,344 |
| Receivables: | | | | |
| Property taxes | - | 2,288,670 | 1,207,728 | 3,496,398 |
| Interfund loans | - | 479,251 | - | 479,251 |
| Accrued interest | - | - | 382 | 382 |
| Intergovernmental | 288,313 | - | - | 288,313 |
| Prepayments | 2,012 | - | - | 2,012 |
| Materials and supplies inventory | 2,873 | - | - | 2,873 |
| Inventory held for resale | 3,741 | - | - | 3,741 |
| Lease receivable | - | - | 1,641,754 | 1,641,754 |
| Total assets | \$ 1,086,647 | \$ 5,316,749 | \$ 7,057,651 | \$ 13,461,047 |
| Liabilities: | | | | |
| Accounts payable | \$ 42,367 | \$ - | \$ 34,865 | \$ 77,232 |
| Contracts payable | - | - | 398,760 | 398,760 |
| Accrued wages and benefits payable | 228,747 | - | - | 228,747 |
| Intergovernmental payable | 2,719 | - | - | 2,719 |
| Pension and postemployment benefits payable | 37,793 | - | - | 37,793 |
| Interfund loans payable | 71,565 | - | 479,251 | 550,816 |
| Total liabilities | 383,191 | - | 912,876 | 1,296,067 |
| Deferred inflows of resources: | | | | |
| Property tax levied for the next fiscal year | - | 1,761,346 | 1,041,451 | 2,802,797 |
| Delinquent property tax revenue not available | - | 90,575 | 47,796 | 138,371 |
| Intergovernmental revenue not available | 216,748 | - | - | 216,748 |
| Lease | - | - | 1,624,116 | 1,624,116 |
| Total deferred inflows of resources | 216,748 | 1,851,921 | 2,713,363 | 4,782,032 |
| Fund Balances: | | | | |
| Nonspendable: | | | | |
| Materials and supplies inventory | 2,873 | - | - | 2,873 |
| Prepays | 2,012 | - | - | 2,012 |
| Restricted: | | | | |
| Debt Service | - | 3,464,828 | - | 3,464,828 |
| Food service operations | 192,101 | - | - | 192,101 |
| Non-public schools | 87,788 | - | - | 87,788 |
| Capital improvements | - | - | 2,195,355 | 2,195,355 |
| Other purposes | 70,384 | - | - | 70,384 |
| Extracurricular | 221,964 | - | - | 221,964 |
| Federally funded programs | 58,086 | - | - | 58,086 |
| Committed: | | | | |
| Capital improvements | - | - | 1,236,057 | 1,236,057 |
| Other purposes | 70,665 | - | - | 70,665 |
| Unassigned (deficit) | (219,165) | - | - | (219,165) |
| Total fund balances | 486,708 | 3,464,828 | 3,431,412 | 7,382,948 |
| Total liabilities, deferred inflows and fund balances | \$ 1,086,647 | \$ 5,316,749 | \$ 7,057,651 | \$ 13,461,047 |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, 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 Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|--------------------------------------|----------------------------------|---------------------------------------|--|
| Revenues: | | | | |
| Property taxes | \$ - | \$ 2,429,281 | \$ 1,086,003 | \$ 3,515,284 |
| Payment in lieu taxes | - | 10,666 | 4,874 | 15,540 |
| Earnings on investments | 10,163 | - | 79,058 | 89,221 |
| Charges for services | 455,359 | - | - | 455,359 |
| Extracurricular activities | 341,276 | - | - | 341,276 |
| Rental income | - | - | 197,305 | 197,305 |
| Contributions and donations | 279,173 | - | 36,000 | 315,173 |
| Miscellaneous | 62,591 | - | - | 62,591 |
| Intergovernmental | 3,023,306 | 807,755 | 66,783 | 3,897,844 |
| Total revenue | 4,171,868 | 3,247,702 | 1,470,023 | 8,889,593 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 197,358 | - | 770,285 | 967,643 |
| Special | 1,120,227 | - | 943 | 1,121,170 |
| Other | 296,632 | - | - | 296,632 |
| Support services: | | | | |
| Pupil | 349,409 | - | - | 349,409 |
| Instructional staff | 80,808 | - | - | 80,808 |
| Fiscal | - | 41,027 | 18,790 | 59,817 |
| Operations and maintenance | 4,227 | - | 791,828 | 796,055 |
| Pupil transportation | 52,163 | - | 166,492 | 218,655 |
| Central | - | - | 72,835 | 72,835 |
| Operation of non-instructional services: | | | | |
| Food service operations | 568,954 | - | - | 568,954 |
| Other non-instructional services | 1,051,713 | - | - | 1,051,713 |
| Extracurricular activities | 750,874 | - | - | 750,874 |
| Facilities acquisition and construction | 11,912 | - | 703,386 | 715,298 |
| Debt service: | | | | |
| Principal retirement | 4,031 | 1,470,000 | 555,334 | 2,029,365 |
| Interest and fiscal charges | 29 | 1,340,265 | 138,425 | 1,478,719 |
| Total expenditures | 4,488,337 | 2,851,292 | 3,218,318 | 10,557,947 |
| Excess of revenues (under) expenditures | (316,469) | 396,410 | (1,748,295) | (1,668,354) |
| Other financing sources: | | | | |
| Sale of notes | - | - | 2,800,000 | 2,800,000 |
| Transfers in | 170,000 | - | 228,350 | 398,350 |
| Inception of finance-purchase transaction | - | - | 346,283 | 346,283 |
| SBITA transaction | 11,912 | - | - | 11,912 |
| Total other financing sources | 181,912 | - | 3,374,633 | 3,556,545 |
| Net change in fund balances | (134,557) | 396,410 | 1,626,338 | 1,888,191 |
| Fund balances at beginning of year | 621,265 | 3,068,418 | 1,805,074 | 5,494,757 |
| Fund balances at end of year | \$ 486,708 | \$ 3,464,828 | \$ 3,431,412 | \$ 7,382,948 |

ROCKY RIVER CITY SCHOOL DISTRICT

FUND DESCRIPTIONS - NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's special revenue funds follows:

Food Service Fund

This fund accounts for the financial transactions related to the food service operations of the District.

Special Trust Fund

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

Other Grants Fund

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

Student Managed Activities Fund

This fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

District Managed Activity Fund

A fund provided to account for monies for those student activity programs which have student participation in the activity but do not have student management of the programs.

Auxiliary Services Fund

A fund provided to account for monies which provide services and materials to pupils attending non-public schools within the School District.

Data Communications Fund

A fund provided to account for money appropriated for Ohio Educational Computer Network Connections.

Miscellaneous State Grants Fund

This fund accounts for various monies received from state agencies which are not classified elsewhere.

Elementary and Secondary School Emergency Relief Fund

To account for a Federal grant received by the District to combat the coronavirus pandemic.

Title VI-B Fund

A fund provided to account for federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Title III Fund

A fund provided to account for federal monies used to assist the School District in meeting the special needs of children of limited English proficiency.

Title I Fund

To account for State of Ohio and federal grants that provide financial assistance to meet the special needs of educationally deprived children.

Title IV-A Fund

To account for monies received for student support and enrichment programs.

Preschool Disability Fund

To account for monies received for the improvement and expansion of services for handicapped children ages three through five years.

FUND DESCRIPTIONS - NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

Title II-A Fund

To account for grant monies used for the hiring of additional teachers.

Miscellaneous Federal Grants Fund

To account for monies received from the federal government which are not classified elsewhere.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Unclaimed Monies Fund

This fund accounts for the unclaimed monies within the District. These monies must be held for a period of time, after that time period passes, the monies may be returned to the general fund.

Uniform School Supplies Fund

This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Building Rotary Fund

This fund accounts for curricular and related activities (e.g. field trips) within a school building that are paid for mainly by student fees.

Public School Support Fund

A fund provided to account for specific local revenue sources (i.e. profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

Employee Withholding Fund

This fund accounts for Workers' Compensation premiums collected from employees and remitted to the Ohio Bureau of Workers' Compensation.

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023

| | Food Service | Special Trust | Other Grants | Student Managed Activity | District Managed Activity |
|---|-------------------|------------------|------------------|--------------------------------|---------------------------------|
| Assets: | | | | | |
| Equity in pooled cash and investments | \$ 242,835 | \$ 70,665 | \$ 70,942 | \$ 222,076 | \$ 19,889 |
| Receivables: | | | | | |
| Intergovernmental | - | - | - | - | - |
| Prepayments | 316 | - | - | - | 8 |
| Materials and supplies inventory | 2,873 | - | - | - | - |
| Inventory held for resale | 3,741 | - | - | - | - |
| | <u>3,741</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 249,765</u> | <u>\$ 70,665</u> | <u>\$ 70,942</u> | <u>\$ 222,076</u> | <u>\$ 19,897</u> |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ 558 | \$ 112 | \$ 22,306 |
| Accrued wages and benefits | 40,493 | - | - | - | - |
| Intergovernmental payable | 506 | - | - | - | - |
| Pension and postemployment benefits payable | 13,476 | - | - | - | - |
| Interfund loans payable | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>54,475</u> | <u>-</u> | <u>558</u> | <u>112</u> | <u>22,306</u> |
| Deferred inflows of resources: | | | | | |
| Intergovernmental revenue not available | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances: | | | | | |
| Nonspendable: | | | | | |
| Materials and supplies inventory | 2,873 | - | - | - | - |
| Prepays | 316 | - | - | - | 8 |
| Restricted: | | | | | |
| Food service operations | 192,101 | - | - | - | - |
| Non-public schools | - | - | - | - | - |
| Other purposes | - | - | 70,384 | - | - |
| Extracurricular | - | - | - | 221,964 | - |
| Federally funded programs | - | - | - | - | - |
| Committed: | | | | | |
| Other purposes | - | 70,665 | - | - | - |
| Unassigned (deficit) | - | - | - | - | (2,417) |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(2,417)</u> |
| Total fund balances | <u>195,290</u> | <u>70,665</u> | <u>70,384</u> | <u>221,964</u> | <u>(2,409)</u> |
| Total liabilities, deferred inflows, and fund balances | <u>\$ 249,765</u> | <u>\$ 70,665</u> | <u>\$ 70,942</u> | <u>\$ 222,076</u> | <u>\$ 19,897</u> |

| Auxiliary Services | Elementary and Secondary School Emergency Relief | Title VI-B | Title III | Title I | Title IV-A | Preschool Disability | Title II-A |
|--------------------|--|------------------|-----------------|------------------|-----------------|----------------------|-----------------|
| \$ 104,669 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | 150,159 | 86,604 | 3,297 | 41,247 | 1,630 | 739 | 4,637 |
| - | 977 | 407 | 16 | 255 | - | 33 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 104,669</u> | <u>\$ 151,136</u> | <u>\$ 87,011</u> | <u>\$ 3,313</u> | <u>\$ 41,502</u> | <u>\$ 1,630</u> | <u>\$ 772</u> | <u>\$ 4,637</u> |
| \$ 16,881 | \$ - | \$ 1,238 | \$ - | \$ - | \$ - | \$ - | \$ 726 |
| - | 106,819 | 52,152 | - | 29,283 | - | - | - |
| - | 1,258 | 618 | - | 337 | - | - | - |
| - | 14,594 | 6,131 | - | 3,592 | - | - | - |
| - | 27,489 | 26,464 | 3,297 | 8,035 | 1,630 | 739 | 3,911 |
| <u>16,881</u> | <u>150,160</u> | <u>86,603</u> | <u>3,297</u> | <u>41,247</u> | <u>1,630</u> | <u>739</u> | <u>4,637</u> |
| - | 122,671 | 60,139 | - | 33,212 | - | - | 726 |
| - | 122,671 | 60,139 | - | 33,212 | - | - | 726 |
| - | - | - | - | - | - | - | - |
| - | 977 | 407 | 16 | 255 | - | 33 | - |
| - | - | - | - | - | - | - | - |
| 87,788 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | (122,672) | (60,138) | - | (33,212) | - | - | (726) |
| <u>87,788</u> | <u>(121,695)</u> | <u>(59,731)</u> | <u>16</u> | <u>(32,957)</u> | <u>-</u> | <u>33</u> | <u>(726)</u> |
| <u>\$ 104,669</u> | <u>\$ 151,136</u> | <u>\$ 87,011</u> | <u>\$ 3,313</u> | <u>\$ 41,502</u> | <u>\$ 1,630</u> | <u>\$ 772</u> | <u>\$ 4,637</u> |

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2023

| | Miscellaneous Federal Grants | Total Nonmajor Special Revenue Funds |
|---|------------------------------------|---|
| Assets: | | |
| Equity in pooled cash and investments | \$ 58,632 | \$ 789,708 |
| Receivables: | | |
| Intergovernmental | - | 288,313 |
| Prepayments | - | 2,012 |
| Materials and supplies inventory | - | 2,873 |
| Inventory held for resale | - | 3,741 |
| | - | 3,741 |
| Total assets | \$ 58,632 | \$ 1,086,647 |
| Liabilities: | | |
| Accounts payable | \$ 546 | \$ 42,367 |
| Accrued wages and benefits | - | 228,747 |
| Intergovernmental payable | - | 2,719 |
| Pension and postemployment benefits payable | - | 37,793 |
| Interfund loans payable | - | 71,565 |
| | - | 71,565 |
| Total liabilities | 546 | 383,191 |
| Deferred inflows of resources: | | |
| Intergovernmental revenue not available | - | 216,748 |
| | - | 216,748 |
| Total deferred inflows of resources | - | 216,748 |
| Fund Balances: | | |
| Nonspendable: | | |
| Materials and supplies inventory | - | 2,873 |
| Prepays | - | 2,012 |
| Restricted: | | |
| Food service operations | - | 192,101 |
| Non-public schools | - | 87,788 |
| Other purposes | - | 70,384 |
| Extracurricular | - | 221,964 |
| Federally funded programs | 58,086 | 58,086 |
| Committed: | | |
| Other purposes | - | 70,665 |
| Unassigned (deficit) | - | (219,165) |
| | - | (219,165) |
| Total fund balances | 58,086 | 486,708 |
| Total liabilities, deferred inflows, and fund balances | \$ 58,632 | \$ 1,086,647 |

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, 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 | Special Trust | Other Grants | Student Managed Activity | District Managed Activity |
|---|-------------------|------------------|------------------|--------------------------------|---------------------------------|
| Revenues: | | | | | |
| Earnings on investments | \$ 3,876 | \$ 1,637 | \$ - | \$ - | \$ - |
| Charges for services | 455,359 | - | - | - | - |
| Extracurricular activities | - | - | - | 76,997 | 264,279 |
| Contributions and donations | - | 34,140 | 120,686 | 28,441 | 95,906 |
| Miscellaneous | - | - | - | 43,015 | 19,576 |
| Intergovernmental | 223,894 | - | - | - | - |
| Total revenue | <u>683,129</u> | <u>35,777</u> | <u>120,686</u> | <u>148,453</u> | <u>379,761</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | - | - | 190,158 | - | - |
| Special | - | - | 7,426 | 3,938 | - |
| Other | - | - | - | - | - |
| Support services: | | | | | |
| Pupil | - | - | 1,997 | - | - |
| Instructional staff | - | - | 49,868 | - | - |
| Operations and maintenance | - | - | - | - | - |
| Pupil transportation | - | - | - | - | - |
| Operation of non-instructional services | | | | | |
| Food service operations | 568,954 | - | - | - | - |
| Other non-instructional services | - | 30,750 | - | - | - |
| Extracurricular activities | - | - | - | 116,483 | 634,391 |
| Facilities acquisition and construction | 11,912 | - | - | - | - |
| Debt service: | | | | | |
| Principal retirement | 4,031 | - | - | - | - |
| Interest and fiscal charges | 29 | - | - | - | - |
| Total expenditures | <u>584,926</u> | <u>30,750</u> | <u>249,449</u> | <u>120,421</u> | <u>634,391</u> |
| Excess of revenues over (under) expenditures | <u>98,203</u> | <u>5,027</u> | <u>(128,763)</u> | <u>28,032</u> | <u>(254,630)</u> |
| Other financing sources: | | | | | |
| Inception of SBITA | 11,912 | - | - | - | - |
| Transfers in | - | - | - | - | 170,000 |
| Total other financing sources | <u>11,912</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>170,000</u> |
| Net change in fund balances | 110,115 | 5,027 | (128,763) | 28,032 | (84,630) |
| Fund balances (deficit) at beginning of year | <u>85,175</u> | <u>65,638</u> | <u>199,147</u> | <u>193,932</u> | <u>82,221</u> |
| Fund balances (deficit) at end of year | <u>\$ 195,290</u> | <u>\$ 70,665</u> | <u>\$ 70,384</u> | <u>\$ 221,964</u> | <u>\$ (2,409)</u> |

| Auxiliary Services | Data Communications | Miscellaneous State Grants | Elementary and Secondary School Emergency Relief | Title VI-B | Title III | Title I |
|--------------------|---------------------|----------------------------|--|-------------|-----------|-------------|
| \$ 4,650 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 873,897 | 7,200 | 48,681 | 644,108 | 869,538 | 13,725 | 193,544 |
| 878,547 | 7,200 | 48,681 | 644,108 | 869,538 | 13,725 | 193,544 |
| - | 7,200 | - | - | - | - | - |
| - | - | - | 448,400 | 414,647 | 11,209 | 207,115 |
| - | - | - | 241,399 | 55,233 | - | - |
| - | - | - | - | 334,293 | 2,500 | - |
| - | - | - | 7 | - | - | - |
| - | - | 3,681 | - | - | - | - |
| - | - | 45,000 | 7,163 | - | - | - |
| - | - | - | - | - | - | - |
| 873,262 | - | - | - | 125,404 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 873,262 | 7,200 | 48,681 | 696,969 | 929,577 | 13,709 | 207,115 |
| 5,285 | - | - | (52,861) | (60,039) | 16 | (13,571) |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 5,285 | - | - | (52,861) | (60,039) | 16 | (13,571) |
| 82,503 | - | - | (68,834) | 308 | - | (19,386) |
| \$ 87,788 | \$ - | \$ - | \$ (121,695) | \$ (59,731) | \$ 16 | \$ (32,957) |

-- Continued

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Title IV-A | Preschool Disability | Title II-A | Miscellaneous Federal Grants | Total Nonmajor Special Revenue Funds |
|---|---------------|-------------------------|-----------------|------------------------------------|---|
| Revenues: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ - | \$ - | \$ 10,163 |
| Charges for services | - | - | - | - | 455,359 |
| Extracurricular activities | - | - | - | - | 341,276 |
| Contributions and donations | - | - | - | - | 279,173 |
| Miscellaneous | - | - | - | - | 62,591 |
| Intergovernmental | 15,492 | 27,504 | 47,120 | 58,603 | 3,023,306 |
| Total revenue | <u>15,492</u> | <u>27,504</u> | <u>47,120</u> | <u>58,603</u> | <u>4,171,868</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | - | - | - | - | 197,358 |
| Special | - | 27,492 | - | - | 1,120,227 |
| Other | - | - | - | - | 296,632 |
| Support services: | | | | | |
| Pupil | 10,619 | - | - | - | 349,409 |
| Instructional staff | - | - | 30,933 | - | 80,808 |
| Operations and maintenance | - | - | - | 546 | 4,227 |
| Pupil transportation | - | - | - | - | 52,163 |
| Operation of non-instructional services | | | | | |
| Food service operations | - | - | - | - | 568,954 |
| Other non-instructional services | 5,422 | - | 16,875 | - | 1,051,713 |
| Extracurricular activities | - | - | - | - | 750,874 |
| Facilities acquisition and construction | - | - | - | - | 11,912 |
| Debt service: | | | | | |
| Principal retirement | - | - | - | - | 4,031 |
| Interest and fiscal charges | - | - | - | - | 29 |
| Total expenditures | <u>16,041</u> | <u>27,492</u> | <u>47,808</u> | <u>546</u> | <u>4,488,337</u> |
| Excess of revenues over (under) expenditures | <u>(549)</u> | <u>12</u> | <u>(688)</u> | <u>58,057</u> | <u>(316,469)</u> |
| Other financing sources: | | | | | |
| SBITA transaction | - | - | - | - | 11,912 |
| Transfers in | - | - | - | - | 170,000 |
| Total other financing sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>181,912</u> |
| Net change in fund balances | (549) | 12 | (688) | 58,057 | (134,557) |
| Fund balances (deficit) at beginning of year | <u>549</u> | <u>21</u> | <u>(38)</u> | <u>29</u> | <u>621,265</u> |
| Fund balances (deficit) at end of year | <u>\$ -</u> | <u>\$ 33</u> | <u>\$ (726)</u> | <u>\$ 58,086</u> | <u>\$ 486,708</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Earnings on investments | \$ 2,000 | \$ 2,000 | \$ 3,876 | \$ 1,876 |
| Charges for services | 443,100 | 443,100 | 455,358 | 12,258 |
| Intergovernmental | 104,000 | 104,000 | 197,893 | 93,893 |
| <i>Total revenues</i> | <u>549,100</u> | <u>549,100</u> | <u>657,127</u> | <u>108,027</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Operation of non-instructional services - food service operations: | | | | |
| Salaries and wages | 196,740 | 196,740 | 194,331 | 2,409 |
| Fringe benefits | - | 34,051 | 61,555 | (27,504) |
| Purchased services | 17,495 | 17,495 | 15,943 | 1,552 |
| Materials and supplies | 247,855 | 247,854 | 237,403 | 10,451 |
| Capital outlay | 14,380 | 32,380 | 20,813 | 11,567 |
| Other | 6,000 | 6,000 | 630 | 5,370 |
| Total operation of non-instructional services - food service operations | <u>482,470</u> | <u>534,520</u> | <u>530,675</u> | <u>3,845</u> |
| <i>Total expenditures</i> | <u>482,470</u> | <u>534,520</u> | <u>530,675</u> | <u>3,845</u> |
| <i>Excess of revenues (under) expenditures</i> | <u>66,630</u> | <u>14,580</u> | <u>126,452</u> | <u>111,872</u> |
| Other financing sources: | | | | |
| Refund of prior year's expenses | 180 | 180 | 122 | (58) |
| <i>Total other financing sources</i> | <u>180</u> | <u>180</u> | <u>122</u> | <u>(58)</u> |
| <i>Net change in fund balance</i> | 66,810 | 14,760 | 126,574 | 111,814 |
| <i>Fund balance at beginning of year</i> | 101,787 | 101,787 | 101,787 | - |
| <i>Prior year encumbrances appropriated</i> | 8,930 | 8,930 | 8,930 | - |
| <i>Fund balance at end of year</i> | <u>\$ 177,527</u> | <u>\$ 125,477</u> | <u>\$ 237,291</u> | <u>\$ 111,814</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Interest | \$ - | \$ - | \$ 1,637 | \$ 1,637 |
| Contributions and donations | <u>31,500</u> | <u>34,500</u> | <u>34,140</u> | <u>(360)</u> |
| <i>Total revenues</i> | <u>31,500</u> | <u>34,500</u> | <u>35,777</u> | <u>1,277</u> |
| Expenditures: | | | | |
| Operation of non-instructional services - other non-instructional services: | | | | |
| Other | <u>27,000</u> | <u>32,500</u> | <u>30,750</u> | <u>1,750</u> |
| Total operation on non-instructional services - other non-instructional services | <u>27,000</u> | <u>32,500</u> | <u>30,750</u> | <u>1,750</u> |
| <i>Total expenditures</i> | <u>27,000</u> | <u>32,500</u> | <u>30,750</u> | <u>1,750</u> |
| <i>Net change in fund balance</i> | 4,500 | 2,000 | 5,027 | 3,027 |
| <i>Fund balance at beginning of year</i> | 65,138 | 65,138 | 65,138 | - |
| <i>Prior year encumbrances appropriated</i> | <u>500</u> | <u>500</u> | <u>500</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 70,138</u> | <u>\$ 67,638</u> | <u>\$ 70,665</u> | <u>\$ 3,027</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OTHER GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Contributions and donations | \$ - | \$ 116,277 | \$ 120,686 | \$ 4,409 |
| <i>Total revenues</i> | <u>-</u> | <u>116,277</u> | <u>120,686</u> | <u>4,409</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Materials and supplies | 7,584 | 30,836 | 31,948 | (1,112) |
| Capital outlay | 159,204 | 165,848 | 165,847 | 1 |
| <i>Total instruction-regular</i> | <u>166,788</u> | <u>196,684</u> | <u>197,795</u> | <u>(1,111)</u> |
| Instruction-special: | | | | |
| Purchased services | 2,280 | 8,265 | 8,265 | - |
| Materials and supplies | - | 2,925 | 2,925 | - |
| Capital outlay | 749 | 32,249 | 1,500 | 30,749 |
| <i>Total instruction-special</i> | <u>3,029</u> | <u>43,439</u> | <u>12,690</u> | <u>30,749</u> |
| Support services-pupil: | | | | |
| Purchased services | - | 1,500 | 1,500 | - |
| Materials and supplies | - | 503 | 503 | - |
| Capital outlay | 289 | 289 | 285 | 4 |
| <i>Total support services-pupil</i> | <u>289</u> | <u>2,292</u> | <u>2,288</u> | <u>4</u> |
| Support services-instructional staff: | | | | |
| Capital outlay | - | 50,000 | 49,868 | 132 |
| <i>Total support services-instructional staff:</i> | <u>-</u> | <u>50,000</u> | <u>49,868</u> | <u>132</u> |
| <i>Total expenditures</i> | <u>170,106</u> | <u>292,415</u> | <u>262,641</u> | <u>29,774</u> |
| <i>Net change in fund balance</i> | (170,106) | (176,138) | (141,955) | 34,183 |
| <i>Fund balance at beginning of year</i> | 36,513 | 36,513 | 36,513 | - |
| <i>Prior year encumbrances appropriated</i> | 170,106 | 170,106 | 170,106 | - |
| <i>Fund balance at end of year</i> | <u>\$ 36,513</u> | <u>\$ 30,481</u> | <u>\$ 64,664</u> | <u>\$ 34,183</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STUDENT MANAGED ACTIVITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------|------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Extracurricular | \$ 57,300 | \$ 57,300 | \$ 79,732 | \$ 22,432 |
| Contributions and donations | 7,100 | 7,100 | 28,442 | 21,342 |
| Other local revenues | - | - | 43,015 | 43,015 |
| Total revenues | <u>64,400</u> | <u>64,400</u> | <u>151,189</u> | <u>86,789</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special | | | | |
| Materials and supplies | 3,241 | 4,129 | 3,826 | 303 |
| Other | - | 112 | 112 | - |
| Total instruction-special | <u>3,241</u> | <u>4,241</u> | <u>3,938</u> | <u>303</u> |
| Extracurricular activities | | | | |
| Salaries and wages | 1,220 | 1,220 | 250 | 970 |
| Purchased services | 2,250 | 2,250 | 2,250 | - |
| Other | 109,107 | 199,920 | 129,801 | 70,119 |
| Total extracurricular activities | <u>112,577</u> | <u>203,390</u> | <u>132,301</u> | <u>71,089</u> |
| Total expenditures | <u>115,818</u> | <u>207,631</u> | <u>136,239</u> | <u>71,392</u> |
| Net change in fund balance | (51,418) | (143,231) | 14,950 | 158,181 |
| Fund balance at beginning of year | 169,098 | 169,098 | 169,098 | - |
| Prior year encumbrances appropriated | 23,148 | 23,148 | 23,148 | - |
| Fund balance at end of year | <u>\$ 140,828</u> | <u>\$ 49,015</u> | <u>\$ 207,196</u> | <u>\$ 158,181</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISTRICT MANAGED ACTIVITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Extracurricular activities | \$ 222,425 | \$ 274,895 | \$ 264,278 | \$ (10,617) |
| Contributions and donations | 39,700 | 49,720 | 95,908 | 46,188 |
| Other local revenue | 9,000 | 30,113 | 19,575 | (10,538) |
| <i>Total revenues</i> | <u>271,125</u> | <u>354,728</u> | <u>379,761</u> | <u>25,033</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Extracurricular activities: | | | | |
| Salaries and wages | 15,150 | 13,801 | 27,787 | (13,986) |
| Fringe benefits | 307 | 307 | 785 | (478) |
| Purchased services | 146,013 | 268,975 | 255,294 | 13,681 |
| Materials and supplies | 123,217 | 171,380 | 185,282 | (13,902) |
| Capital outlay | 168,424 | 152,880 | 119,227 | 33,653 |
| Other | 42,445 | 51,329 | 52,011 | (682) |
| <i>Total extracurricular activities</i> | <u>495,556</u> | <u>658,672</u> | <u>640,386</u> | <u>18,286</u> |
| <i>Total expenditures</i> | <u>495,556</u> | <u>658,672</u> | <u>640,386</u> | <u>18,286</u> |
| <i>Excess of revenues (under) expenditures</i> | <u>(224,431)</u> | <u>(303,944)</u> | <u>(260,625)</u> | <u>43,319</u> |
| Other financing sources: | | | | |
| Refund of prior year's expenditures | | | | - |
| Transfers in | 189,120 | 204,120 | 170,000 | (34,120) |
| <i>Total other financing sources</i> | <u>189,120</u> | <u>204,120</u> | <u>170,000</u> | <u>(34,120)</u> |
| <i>Net change in fund balance</i> | (35,311) | (99,824) | (90,625) | 9,199 |
| <i>Fund balance at beginning of year</i> | 65,906 | 65,906 | 65,906 | - |
| <i>Prior year encumbrances appropriated</i> | 35,500 | 35,500 | 35,500 | - |
| <i>Fund balance at end of year</i> | <u>\$ 66,095</u> | <u>\$ 1,582</u> | <u>\$ 10,781</u> | <u>\$ 9,199</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------|----------------|-----------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Earnings on investments | \$ 1,000 | \$ 4,650 | \$ 4,650 | \$ - |
| Intergovernmental | 803,000 | 873,897 | 873,897 | - |
| <i>Total revenues</i> | <u>804,000</u> | <u>878,547</u> | <u>878,547</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Operation of non-instructional services - other non-instructional services: | | | | |
| Purchased services | 439,292 | 621,734 | 621,773 | (39) |
| Materials and supplies | 95,268 | 206,691 | 205,436 | 1,255 |
| Capital outlay | 82,817 | 157,407 | 157,407 | - |
| Total operation on non-instructional services - other non-instructional services | <u>617,377</u> | <u>985,832</u> | <u>984,616</u> | <u>1,216</u> |
| <i>Total expenditures</i> | <u>617,377</u> | <u>985,832</u> | <u>984,616</u> | <u>1,216</u> |
| <i>Net change in fund balance</i> | 186,623 | (107,285) | (106,069) | 1,216 |
| <i>Fund balance at beginning of year</i> | 16,411 | 16,411 | 16,411 | - |
| <i>Prior year encumbrances appropriated</i> | 90,877 | 90,877 | 90,877 | - |
| <i>Fund balance at end of year</i> | <u>\$ 293,911</u> | <u>\$ 3</u> | <u>\$ 1,219</u> | <u>\$ 1,216</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATIONS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------------|------------------|--------------|--------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 7,200 | \$ 7,200 | \$ 7,200 | \$ - |
| Total revenues | <u>7,200</u> | <u>7,200</u> | <u>7,200</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Purchased services | <u>7,200</u> | <u>7,200</u> | <u>7,200</u> | <u>-</u> |
| Total instruction-regular | <u>7,200</u> | <u>7,200</u> | <u>7,200</u> | <u>-</u> |
| Total expenditures | <u>7,200</u> | <u>7,200</u> | <u>7,200</u> | <u>-</u> |
| Net change in fund balance | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISCELLANEOUS STATE GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|---------------|---------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 45,000 | \$ 63,681 | \$ 48,681 | \$ (15,000) |
| <i>Total revenues</i> | <u>45,000</u> | <u>63,681</u> | <u>48,681</u> | <u>(15,000)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-operations and maintenance: | | | | |
| Capital outlay | - | 3,681 | 3,681 | - |
| Total support services-operations and maintenance | - | <u>3,681</u> | <u>3,681</u> | - |
| Support services-pupil transportation | | | | |
| Capital outlay | 45,000 | 60,000 | 45,000 | 15,000 |
| Total support services-pupil transportation | <u>45,000</u> | <u>60,000</u> | <u>45,000</u> | <u>15,000</u> |
| <i>Total expenditures</i> | <u>45,000</u> | <u>63,681</u> | <u>48,681</u> | <u>15,000</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance at beginning of year</i> | - | - | - | - |
| <i>Fund balance at end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|--------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 1,050,527 | \$ 1,050,527 | \$ 857,603 | \$ (192,924) |
| <i>Total revenues</i> | <u>1,050,527</u> | <u>1,050,527</u> | <u>857,603</u> | <u>(192,924)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Salaries and wages | 700,000 | - | - | - |
| Purchased services | - | 1,664 | - | 1,664 |
| Total instruction-regular | <u>700,000</u> | <u>1,664</u> | <u>-</u> | <u>1,664</u> |
| Instruction-special | | | | |
| Salaries and wages | 170,214 | 760,330 | 429,423 | 330,907 |
| Fringe benefits | 28,075 | 81,916 | 79,386 | 2,530 |
| Purchased services | 90 | 90 | - | 90 |
| Materials and supplies | 9,410 | 9,410 | 2,000 | 7,410 |
| Total instruction-special | <u>207,789</u> | <u>851,746</u> | <u>510,809</u> | <u>340,937</u> |
| Instruction-other | | | | |
| Salaries and wages | - | 57,369 | 249,121 | (191,752) |
| Fringe benefits | - | - | 5,571 | (5,571) |
| Total instruction-other | <u>-</u> | <u>57,369</u> | <u>254,692</u> | <u>(197,323)</u> |
| Support services-pupil transportation | | | | |
| Salaries and wages | 16,500 | 16,500 | 5,032 | 11,468 |
| Fringe benefits | 3,750 | 3,823 | 782 | 3,041 |
| Materials and supplies | 5,250 | 5,250 | 3,349 | 1,901 |
| Total support services-pupil transportation | <u>25,500</u> | <u>25,573</u> | <u>9,163</u> | <u>16,410</u> |
| Total expenditures | <u>933,289</u> | <u>936,352</u> | <u>774,664</u> | <u>18,074</u> |
| <i>Net change in fund balance</i> | 117,238 | 114,175 | 82,939 | (174,850) |
| <i>Fund balance (deficit) at beginning of year</i> | (114,176) | (114,176) | (114,176) | - |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ 3,062</u> | <u>\$ (1)</u> | <u>\$ (31,237)</u> | <u>\$ (174,850)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI-B FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|------------------|--------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 765,899 | \$ 1,077,377 | \$ 948,075 | \$ (129,302) |
| <i>Total revenues</i> | <u>765,899</u> | <u>1,077,377</u> | <u>948,075</u> | <u>(129,302)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special: | | | | |
| Salaries and wages | 67,456 | 7,228 | - | 7,228 |
| Fringe benefits | 23,225 | 494 | (79) | 573 |
| Purchased services | 290,679 | 375,694 | 375,695 | (1) |
| Materials and supplies | 27,892 | 90,997 | 53,742 | 37,255 |
| <i>Total instruction-special</i> | <u>409,252</u> | <u>474,413</u> | <u>429,358</u> | <u>45,055</u> |
| Instruction-other | | | | |
| Salaries and wages | - | 43,826 | 41,975 | 1,851 |
| Fringe benefits | - | 13,100 | 10,961 | 2,139 |
| <i>Total instruction-other</i> | <u>-</u> | <u>56,926</u> | <u>52,936</u> | <u>3,990</u> |
| Support services-pupil: | | | | |
| Salaries and wages | 176,645 | 244,551 | 204,011 | 40,540 |
| Fringe benefits | 52,215 | 74,132 | 61,248 | 12,884 |
| Purchased services | 8,305 | 32,407 | 32,407 | - |
| Materials and supplies | 25,000 | - | - | - |
| <i>Total support services-pupil</i> | <u>262,165</u> | <u>351,090</u> | <u>297,666</u> | <u>53,424</u> |
| Operation of non-instructional services - other non-instructional services: | | | | |
| Purchased services | 96,674 | 125,878 | 125,878 | - |
| <i>Total operation of non-instructional services - other non-instructional services</i> | <u>96,674</u> | <u>125,878</u> | <u>125,878</u> | <u>-</u> |
| <i>Total expenditures</i> | <u>768,091</u> | <u>1,008,307</u> | <u>905,838</u> | <u>102,469</u> |
| <i>Net change in fund balance</i> | (2,192) | 69,070 | 42,237 | (26,833) |
| <i>Fund (deficit) at beginning of year</i> | (71,122) | (71,122) | (71,122) | - |
| <i>Prior year encumbrances appropriated</i> | 2,192 | 2,192 | 2,192 | - |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ (71,122)</u> | <u>\$ 140</u> | <u>\$ (26,693)</u> | <u>\$ (26,833)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE III FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 16,270 | \$ 16,270 | \$ 10,428 | \$ (5,842) |
| <i>Total revenues</i> | <u>16,270</u> | <u>16,270</u> | <u>10,428</u> | <u>(5,842)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special | | | | |
| Salaries and wages | | | | - |
| Fringe benefits | 9,930 | 9,930 | 9,930 | - |
| Purchased services | <u>1,295</u> | <u>1,295</u> | <u>1,295</u> | - |
| Total instruction-special | <u>11,225</u> | <u>11,225</u> | <u>11,225</u> | - |
| Support services-pupil | | | | |
| Purchased services | <u>2,500</u> | <u>2,500</u> | <u>2,500</u> | - |
| Total support services-pupil | <u>2,500</u> | <u>2,500</u> | <u>2,500</u> | - |
| Support services-instructional staff: | | | | |
| Purchased services | | | | - |
| Materials and supplies | <u>1,197</u> | <u>1,197</u> | - | <u>1,197</u> |
| Total support services-instructional staff | <u>1,197</u> | <u>1,197</u> | - | <u>1,197</u> |
| Operation of non-instructional services | | | | |
| Purchased services | <u>1,348</u> | <u>1,348</u> | - | <u>1,348</u> |
| Total operation of non-instructional services | <u>1,348</u> | <u>1,348</u> | - | <u>1,348</u> |
| <i>Total expenditures</i> | <u>16,270</u> | <u>16,270</u> | <u>13,725</u> | <u>2,545</u> |
| <i>Net change in fund balance</i> | - | - | (3,297) | (3,297) |
| <i>Fund at beginning of year</i> | - | - | - | - |
| <i>Fund (deficit) at end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (3,297)</u> | <u>\$ (3,297)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|----------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 206,110 | \$ 255,654 | \$ 213,393 | \$ (42,261) |
| <i>Total revenues</i> | <u>206,110</u> | <u>255,654</u> | <u>213,393</u> | <u>(42,261)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special: | | | | |
| Salaries and wages | 156,116 | 193,533 | 160,586 | 32,947 |
| Fringe benefits | 49,000 | 56,448 | 56,025 | 423 |
| Materials and supplies | 994 | 856 | - | 856 |
| <i>Total instruction-special</i> | <u>206,110</u> | <u>250,837</u> | <u>216,611</u> | <u>34,226</u> |
| <i>Total expenditures</i> | <u>206,110</u> | <u>250,837</u> | <u>216,611</u> | <u>34,226</u> |
| <i>Net change in fund balance</i> | - | 4,817 | (3,218) | (8,035) |
| <i>Fund balance (deficit) at beginning of year</i> | <u>(4,817)</u> | <u>(4,817)</u> | <u>(4,817)</u> | - |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ (4,817)</u> | <u>\$ -</u> | <u>\$ (8,035)</u> | <u>\$ (8,035)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE IV-A FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 17,463 | \$ 20,425 | \$ 17,211 | \$ (3,214) |
| <i>Total revenues</i> | <u>17,463</u> | <u>20,425</u> | <u>17,211</u> | <u>(3,214)</u> |
| Expenditures: | | | | |
| Support services-pupil: | | | | |
| Purchased services | 10,250 | 10,618 | 10,618 | - |
| <i>Total support services-pupil</i> | <u>10,250</u> | <u>10,618</u> | <u>10,618</u> | <u>-</u> |
| Operation of non-instructional services | | | | |
| Purchased services | 10,013 | 7,867 | 6,287 | 1,580 |
| Materials and supplies | 933 | 1,940 | 1,936 | 4 |
| <i>Total operation of non-instructional services:</i> | <u>10,946</u> | <u>9,807</u> | <u>8,223</u> | <u>1,584</u> |
| <i>Total expenditures</i> | <u>21,196</u> | <u>20,425</u> | <u>18,841</u> | <u>1,584</u> |
| <i>Net change in fund balance</i> | (3,733) | - | (1,630) | (1,630) |
| <i>Fund balance (deficit) at beginning of year</i> | (3,733) | (3,733) | (3,733) | - |
| <i>Prior year encumbrances appropriated</i> | 3,733 | 3,733 | 3,733 | - |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ (3,733)</u> | <u>\$ -</u> | <u>\$ (1,630)</u> | <u>\$ (1,630)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PRESCHOOL DISABILITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|---------------|-----------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 15,210 | \$ 30,733 | \$ 26,765 | \$ (3,968) |
| <i>Total revenues</i> | <u>15,210</u> | <u>30,733</u> | <u>26,765</u> | <u>(3,968)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-special: | | | | |
| Salaries and wages | 10,800 | 21,573 | 21,573 | - |
| Fringe benefits | <u>4,410</u> | <u>9,160</u> | <u>5,931</u> | <u>3,229</u> |
| Total instruction-special | <u>15,210</u> | <u>30,733</u> | <u>27,504</u> | <u>3,229</u> |
| <i>Total expenditures</i> | <u>15,210</u> | <u>30,733</u> | <u>27,504</u> | <u>3,229</u> |
| <i>Net change in fund balance</i> | - | - | (739) | (739) |
| <i>Fund balance at beginning of year</i> | - | - | - | - |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (739)</u> | <u>\$ (739)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE II-A FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------|---------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 73,800 | \$ 64,845 | \$ 46,559 | \$ (18,286) |
| <i>Total revenues</i> | <u>73,800</u> | <u>64,845</u> | <u>46,559</u> | <u>(18,286)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-instructional staff: | | | | |
| Purchased services | <u>73,800</u> | <u>31,132</u> | <u>31,132</u> | <u>-</u> |
| Total support services-instructional staff: | <u>73,800</u> | <u>31,132</u> | <u>31,132</u> | <u>-</u> |
| Operation of non-instructional services - other non-instructional services: | | | | |
| Purchased services | <u>1,878</u> | <u>32,106</u> | <u>18,656</u> | <u>13,450</u> |
| Total operation of non-instructional services - other non-instructional services | <u>1,878</u> | <u>32,106</u> | <u>18,656</u> | <u>13,450</u> |
| <i>Total expenditures</i> | <u>75,678</u> | <u>63,238</u> | <u>49,788</u> | <u>13,450</u> |
| <i>Net change in fund balance</i> | (1,878) | 1,607 | (3,229) | (4,836) |
| <i>Fund balance (deficit) at beginning of year</i> | (3,485) | (3,485) | (3,485) | - |
| <i>Prior year encumbrances appropriated</i> | <u>1,878</u> | <u>1,878</u> | <u>1,878</u> | <u>-</u> |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ (3,485)</u> | <u>\$ -</u> | <u>\$ (4,836)</u> | <u>\$ (4,836)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISCELLANEOUS FEDERAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|---------------|---------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ - | \$ 58,603 | \$ 58,603 | \$ - |
| <i>Total revenues</i> | <u>-</u> | <u>58,603</u> | <u>58,603</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-operations and maintenance | | | | |
| Capital outlay | - | 58,603 | 58,603 | - |
| Total support services-operations and maintenance: | <u>-</u> | <u>58,603</u> | <u>58,603</u> | <u>-</u> |
| <i>Total expenditures</i> | <u>-</u> | <u>58,603</u> | <u>58,603</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance at beginning of year</i> | <u>29</u> | <u>29</u> | <u>29</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 29</u> | <u>\$ 29</u> | <u>\$ 29</u> | <u>\$ -</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNCLAIMED MONIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|-----------------|-----------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Other local revenues | \$ - | \$ - | \$ 1,497 | \$ 1,497 |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>1,497</u> | <u>1,497</u> |
| <i>Net change in fund balance</i> | - | - | 1,497 | 1,497 |
| <i>Fund balance at beginning of year</i> | <u>5,704</u> | <u>5,704</u> | <u>5,704</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 5,704</u> | <u>\$ 5,704</u> | <u>\$ 7,201</u> | <u>\$ 1,497</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Classroom materials and fees | \$ 22,500 | \$ 11,500 | \$ 9,082 | \$ (2,418) |
| <i>Total revenues</i> | <u>22,500</u> | <u>11,500</u> | <u>9,082</u> | <u>(2,418)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Operation of non-instructional services - other non-instructional services: | | | | |
| Materials and supplies | 15,700 | 22,650 | 16,160 | 6,490 |
| Other | <u>750</u> | <u>750</u> | <u>714</u> | <u>36</u> |
| Total operation of non-instructional services - other non-instructional services | <u>16,450</u> | <u>23,400</u> | <u>16,874</u> | <u>6,526</u> |
| <i>Total expenditures</i> | <u>16,450</u> | <u>23,400</u> | <u>16,874</u> | <u>6,526</u> |
| <i>Net change in fund balance</i> | 6,050 | (11,900) | (7,792) | 4,108 |
| <i>Fund balance at beginning of year</i> | <u>48,403</u> | <u>48,403</u> | <u>48,403</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 54,453</u> | <u>\$ 36,503</u> | <u>\$ 40,611</u> | <u>\$ 4,108</u> |

ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Tuition | \$ 1,250 | \$ 1,250 | \$ 3,740 | \$ 2,490 |
| Extracurricular activities | 8,000 | 20,000 | 58,850 | 38,850 |
| Classroom materials and fees | 164,000 | 164,000 | 154,986 | (9,014) |
| Contributions and donations | - | 1,500 | 4,487 | 2,987 |
| Other local revenues | 71,500 | 72,797 | 85,292 | 12,495 |
| <i>Total revenues</i> | <u>244,750</u> | <u>259,547</u> | <u>307,355</u> | <u>47,808</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Salaries and wages | 8,000 | 8,000 | 13,898 | (5,898) |
| Fringe benefits | 810 | 810 | 201 | 609 |
| Purchased services | 19,531 | 34,671 | 23,768 | 10,903 |
| Materials and supplies | 122,200 | 127,200 | 109,374 | 17,826 |
| Capital outlay | 5,540 | 4,540 | 4,285 | 255 |
| Other | 12,173 | 52,173 | 39,956 | 12,217 |
| Total instruction-regular | <u>168,254</u> | <u>227,394</u> | <u>191,482</u> | <u>35,912</u> |
| Instruction-special: | | | | |
| Materials and supplies | - | 5,000 | 3,562 | 1,438 |
| Capital outlay | - | 2,354 | 2,354 | - |
| Other | 3,000 | 4,200 | 2,580 | 1,620 |
| Total instruction-special | <u>3,000</u> | <u>11,554</u> | <u>8,496</u> | <u>3,058</u> |
| Support services-pupil: | | | | |
| Salaries and wages | - | - | 318 | (318) |
| Purchased services | 34,403 | 31,003 | 27,927 | 3,076 |
| Materials and supplies | 42,865 | 44,314 | 71,840 | (27,526) |
| Capital outlay | 3,580 | 3,580 | 161 | 3,419 |
| Other | 17,214 | 19,214 | 8,611 | 10,603 |
| Total support services-pupil | <u>98,062</u> | <u>98,111</u> | <u>108,857</u> | <u>(10,746)</u> |
| Support services-instructional staff: | | | | |
| Materials and supplies | 5,248 | 5,248 | 3,623 | 1,625 |
| Total support services-instructional staff | <u>5,248</u> | <u>5,248</u> | <u>3,623</u> | <u>1,625</u> |
| Support services-central: | | | | |
| Other | 6,626 | 6,626 | 9,929 | (3,303) |
| Total support services-central | <u>6,626</u> | <u>6,626</u> | <u>9,929</u> | <u>(3,303)</u> |
| Extracurricular activities: | | | | |
| Materials and supplies | 3,000 | 3,000 | 2,200 | 800 |
| Capital outlay | 4,500 | 4,500 | 5,000 | (500) |
| Total extracurricular activities | <u>7,500</u> | <u>7,500</u> | <u>7,200</u> | <u>300</u> |
| <i>Total expenditures</i> | <u>288,690</u> | <u>356,433</u> | <u>329,587</u> | <u>26,846</u> |
| <i>Excess of revenues over (under) expenditures</i> | <u>(43,940)</u> | <u>(96,886)</u> | <u>(22,232)</u> | <u>74,654</u> |
| Other financing sources: | | | | |
| Transfers in | - | - | 19,500 | 19,500 |
| Sale of capital assets | - | - | 328 | 328 |
| <i>Total other financing sources</i> | <u>-</u> | <u>-</u> | <u>19,828</u> | <u>19,828</u> |
| <i>Net change in fund balance</i> | <u>(43,940)</u> | <u>(96,886)</u> | <u>(2,404)</u> | <u>94,482</u> |
| <i>Fund balance at beginning of year</i> | <u>284,552</u> | <u>284,552</u> | <u>284,552</u> | <u>-</u> |
| <i>Prior year encumbrances appropriated</i> | <u>16,067</u> | <u>16,067</u> | <u>16,067</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 256,679</u> | <u>\$ 203,733</u> | <u>\$ 298,215</u> | <u>\$ 94,482</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Tuition | \$ 50,000 | \$ 50,000 | \$ 42,432 | \$ (7,568) |
| Extracurricular activities | - | - | 470 | 470 |
| Contributions and donations | 12,500 | 12,500 | 10,871 | (1,629) |
| Other local revenues | 3,300 | 3,300 | 4,030 | 730 |
| <i>Total revenues</i> | <u>65,800</u> | <u>65,800</u> | <u>57,803</u> | <u>(7,997)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Purchased services | 1,650 | 1,650 | - | 1,650 |
| Materials and supplies | 13,300 | 14,411 | 7,622 | 6,789 |
| Capital outlay | 561 | 561 | - | 561 |
| <i>Total instruction-regular</i> | <u>15,511</u> | <u>16,622</u> | <u>7,622</u> | <u>9,000</u> |
| Instruction-special: | | | | |
| Purchased services | 12,716 | 16,217 | 10,490 | 5,727 |
| Materials and supplies | 12,756 | 15,354 | 15,886 | (532) |
| Capital outlay | 6,888 | 388 | - | 388 |
| Other | 2,000 | 2,000 | 1,631 | - |
| <i>Total instruction-special</i> | <u>34,360</u> | <u>33,959</u> | <u>28,007</u> | <u>5,583</u> |
| Support services-pupil: | | | | |
| Purchased services | 1,729 | 2,229 | 1,290 | 939 |
| Materials and supplies | 11,197 | 11,198 | 6,719 | 4,479 |
| Capital outlay | | 300 | 300 | - |
| Other | 6,813 | 8,460 | 3,688 | 4,772 |
| <i>Total support services-pupil</i> | <u>19,739</u> | <u>22,187</u> | <u>11,997</u> | <u>10,190</u> |
| Support services-instructional staff: | | | | |
| Purchased services | 2,653 | 2,053 | 1,101 | 952 |
| <i>Total support services-instructional staff</i> | <u>2,653</u> | <u>2,053</u> | <u>1,101</u> | <u>952</u> |
| <i>Total expenditures</i> | <u>72,263</u> | <u>74,821</u> | <u>48,727</u> | <u>25,725</u> |
| <i>Net change in fund balance</i> | (6,463) | (9,021) | 9,076 | 17,728 |
| <i>Fund balance at beginning of year</i> | 182,418 | 182,418 | 182,418 | - |
| <i>Prior year encumbrances appropriated</i> | 8,893 | 8,893 | 8,893 | - |
| <i>Fund balance at end of year</i> | <u>\$ 184,848</u> | <u>\$ 182,290</u> | <u>\$ 200,387</u> | <u>\$ 17,728</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMPLOYEE WITHHOLDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Other local revenues | \$ 100,000 | \$ 100,000 | \$ 94,353 | \$ (5,647) |
| <i>Total revenues</i> | <u>100,000</u> | <u>100,000</u> | <u>94,353</u> | <u>(5,647)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-central | | | | |
| Purchased services | - | - | 1,750 | (1,750) |
| Total support services-central | - | - | 1,750 | (1,750) |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>1,750</u> | <u>(1,750)</u> |
| Excess of revenues over expenditures | <u>100,000</u> | <u>100,000</u> | <u>92,603</u> | <u>(7,397)</u> |
| Other financing (uses): | | | | |
| Paid on behalf of employees | (100,000) | (100,000) | (80,699) | 19,301 |
| Total other financing (uses) | <u>(100,000)</u> | <u>(100,000)</u> | <u>(80,699)</u> | <u>19,301</u> |
| <i>Net change in fund balance</i> | - | - | 11,904 | 11,904 |
| <i>Fund balance at beginning of year</i> | <u>136,311</u> | <u>136,311</u> | <u>136,311</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 136,311</u> | <u>\$ 136,311</u> | <u>\$ 148,215</u> | <u>\$ 11,904</u> |

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ROCKY RIVER CITY SCHOOL DISTRICT
FUND DESCRIPTION - NONMAJOR DEBT SERVICE FUND

Debt service funds are used to account for financial resources that are restricted, committed or assigned for the accumulation of resources for, and the payment of, general obligation debt principal and interest.

Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted committed or assigned to expenditure for principal and interest.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Property taxes | \$ 2,233,376 | \$ 2,209,944 | \$ 2,229,132 | \$ 19,188 |
| Intergovernmental | 809,293 | 793,291 | 807,755 | 14,464 |
| <i>Total revenues</i> | <u>3,042,669</u> | <u>3,003,235</u> | <u>3,036,887</u> | <u>33,652</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Support services-fiscal | | | | |
| Other | 41,228 | 45,162 | 41,027 | 4,135 |
| Total support services-fiscal | <u>41,228</u> | <u>45,162</u> | <u>41,027</u> | <u>4,135</u> |
| Debt service: | | | | |
| Principal retirement | 1,470,000 | 1,470,000 | 1,470,000 | - |
| Interest and fiscal charges | 1,340,265 | 1,340,265 | 1,340,265 | - |
| Bond issuance costs | | | | - |
| Total debt service | <u>2,810,265</u> | <u>2,810,265</u> | <u>2,810,265</u> | <u>-</u> |
| <i>Total expenditures</i> | <u>2,851,493</u> | <u>2,855,427</u> | <u>2,851,292</u> | <u>4,135</u> |
| <i>Net change in fund balance</i> | 191,176 | 147,808 | 185,595 | 37,787 |
| <i>Fund balance at beginning of year</i> | <u>2,842,484</u> | <u>2,842,484</u> | <u>2,842,484</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 3,033,660</u> | <u>\$ 2,990,292</u> | <u>\$ 3,028,079</u> | <u>\$ 37,787</u> |

ROCKY RIVER CITY SCHOOL DISTRICT

FUND DESCRIPTIONS - NONMAJOR CAPITAL PROJECTS FUNDS

The capital projects funds accounts for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and trust funds). A description of the District's nonmajor capital project funds follows:

Permanent Improvement Fund

A fund provided to account for all transactions related to the acquiring, construction, or improving of such permanent improvements.

Building Fund

This building fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or other capital assets.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

| | Permanent Improvement | Building | Total Nonmajor Capital Projects Funds |
|---|--------------------------|------------------|--|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 1,099,556 | \$ 2,364,887 | \$ 3,464,443 |
| Cash with escrow agent | - | 743,344 | 743,344 |
| Receivables: | | | |
| Property taxes | 1,207,728 | - | 1,207,728 |
| Accrued interest | 382 | - | 382 |
| Lease receivable | 1,641,754 | - | 1,641,754 |
| Total assets | \$ 3,949,420 | \$ 3,108,231 | \$ 7,057,651 |
| Liabilities: | | | |
| Accounts payable | \$ - | \$ 34,865 | \$ 34,865 |
| Contracts payable | - | 398,760 | 398,760 |
| Interfund loans payable | - | 479,251 | 479,251 |
| Total liabilities | - | 912,876 | 912,876 |
| Deferred inflows of resources: | | | |
| Property tax levied for the next fiscal year | 1,041,451 | - | 1,041,451 |
| Delinquent property tax revenue not available | 47,796 | - | 47,796 |
| Lease | 1,624,116 | - | 1,624,116 |
| Total deferred inflows of resources | 2,713,363 | - | 2,713,363 |
| Fund Balances: | | | |
| Restricted: | | | |
| Capital improvements | - | 2,195,355 | 2,195,355 |
| Committed: | | | |
| Capital improvements | 1,236,057 | - | 1,236,057 |
| Total fund balances | 1,236,057 | 2,195,355 | 3,431,412 |
| Total liabilities, deferred inflows and fund balances | \$ 3,949,420 | \$ 3,108,231 | \$ 7,057,651 |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, 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 | Building | Total Nonmajor Capital Projects Funds |
|--|--------------------------|---------------------|--|
| Revenues: | | | |
| From local sources: | | | |
| Property taxes | \$ 1,086,003 | \$ - | \$ 1,086,003 |
| Payment in lieu of taxes | 4,874 | - | 4,874 |
| Earnings on investments | 49,687 | 29,371 | 79,058 |
| Rental income | 67,631 | 129,674 | 197,305 |
| Contributions and donations | - | 36,000 | 36,000 |
| Intergovernmental | 66,783 | - | 66,783 |
| Total revenue | <u>1,274,978</u> | <u>195,045</u> | <u>1,470,023</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 304,429 | 465,856 | 770,285 |
| Special | - | 943 | 943 |
| Support services: | | | |
| Fiscal | 18,790 | - | 18,790 |
| Operations and maintenance | 139,273 | 652,555 | 791,828 |
| Pupil transportation | - | 166,492 | 166,492 |
| Central | - | 72,835 | 72,835 |
| Facilities acquisition and construction | 49,578 | 653,808 | 703,386 |
| Debt service: | | | |
| Principal retirement | 555,334 | - | 555,334 |
| Interest and fiscal charges | 132,196 | 6,229 | 138,425 |
| Total expenditures | <u>1,199,600</u> | <u>2,018,718</u> | <u>3,218,318</u> |
| Excess of revenues over (under) expenditures | <u>75,378</u> | <u>(1,823,673)</u> | <u>(1,748,295)</u> |
| Other financing sources (uses): | | | |
| Sale of assets | - | 2,800,000 | 2,800,000 |
| Transfers in | 228,350 | - | 228,350 |
| Inception of finance-purchase transaction | - | 346,283 | 346,283 |
| Total other financing sources (uses) | <u>228,350</u> | <u>3,146,283</u> | <u>3,374,633</u> |
| Net change in fund balances | 303,728 | 1,322,610 | 1,626,338 |
| Fund balances at beginning of year | <u>932,329</u> | <u>872,745</u> | <u>1,805,074</u> |
| Fund balances at end of year | <u>\$ 1,236,057</u> | <u>\$ 2,195,355</u> | <u>\$ 3,431,412</u> |

ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PERMANENT IMPROVEMENTS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Taxes | \$ 936,156 | \$ 1,000,280 | \$ 1,033,688 | \$ 33,408 |
| Earnings on investments | 5,364 | 5,731 | 18,295 | 12,564 |
| Rentals | 199,842 | 213,531 | 213,531 | - |
| Contributions and donations | 14,974 | 16,000 | - | (16,000) |
| Intergovernmental | 59,299 | 63,361 | 66,783 | 3,422 |
| <i>Total revenues</i> | <u>1,215,635</u> | <u>1,298,903</u> | <u>1,332,297</u> | <u>33,394</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular | | | | |
| Purchased services | | | | - |
| Capital outlay | 294,120 | 305,372 | 305,372 | - |
| <i>Total instruction-regular</i> | <u>294,120</u> | <u>305,372</u> | <u>305,372</u> | <u>-</u> |
| Instruction-special | | | | |
| Purchased services | 138,116 | 137,173 | 137,173 | - |
| <i>Total instruction-special</i> | <u>138,116</u> | <u>137,173</u> | <u>137,173</u> | <u>-</u> |
| Support services-fiscal: | | | | |
| Other | 16,742 | 18,790 | 18,790 | - |
| <i>Total support services-fiscal</i> | <u>16,742</u> | <u>18,790</u> | <u>18,790</u> | <u>-</u> |
| Support services-operations and maintenance: | | | | |
| Purchased services | 540,120 | 540,096 | 540,096 | - |
| Capital outlay | 110,683 | 322,084 | 174,487 | 147,597 |
| <i>Total support services-operations and maintenance</i> | <u>650,803</u> | <u>862,180</u> | <u>714,583</u> | <u>147,597</u> |
| Support services-extracurricular activities | | | | |
| Capital outlay | 50,330 | 22,519 | 22,519 | - |
| <i>Total support services-extracurricular activities</i> | <u>50,330</u> | <u>22,519</u> | <u>22,519</u> | <u>-</u> |
| Facilities acquisition and construction: | | | | |
| Capital outlay | 245,500 | 49,578 | 49,578 | - |
| <i>Total facilities acquisition and construction</i> | <u>245,500</u> | <u>49,578</u> | <u>49,578</u> | <u>-</u> |
| Debt service: | | | | |
| Principal retirement | 123,446 | 123,446 | 123,446 | - |
| Interest and fiscal charges | 11,268 | 11,266 | 11,266 | - |
| <i>Total debt service</i> | <u>134,714</u> | <u>134,712</u> | <u>134,712</u> | <u>-</u> |
| <i>Total expenditures</i> | <u>1,530,325</u> | <u>1,530,324</u> | <u>1,382,727</u> | <u>147,597</u> |
| <i>Deficiency of revenues under expenditures</i> | <u>(314,690)</u> | <u>(231,421)</u> | <u>(50,430)</u> | <u>180,991</u> |
| Other financing sources: | | | | |
| Sale of assets | 4,679 | 5,000 | - | (5,000) |
| Transfers in | 120,122 | 128,350 | 228,350 | 100,000 |
| <i>Total other financing sources</i> | <u>124,801</u> | <u>133,350</u> | <u>228,350</u> | <u>95,000</u> |
| <i>Net change in fund balance</i> | <u>(189,889)</u> | <u>(98,071)</u> | <u>177,920</u> | <u>275,991</u> |
| <i>Fund balance at beginning of year</i> | <u>508,012</u> | <u>508,012</u> | <u>508,012</u> | <u>-</u> |
| <i>Prior year encumbrances appropriated</i> | <u>360,171</u> | <u>360,171</u> | <u>360,171</u> | <u>-</u> |
| <i>Fund balance at end of year</i> | <u>\$ 678,294</u> | <u>\$ 770,112</u> | <u>\$ 1,046,103</u> | <u>\$ 275,991</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| From local sources: | | | | |
| Contributions and donations | \$ - | \$ 55,581 | \$ 36,000 | \$ (19,581) |
| Intergovernmental | - | 40,000 | 29,371 | (10,629) |
| <i>Total revenues</i> | <u>-</u> | <u>95,581</u> | <u>65,371</u> | <u>(30,210)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction-regular: | | | | |
| Supplies | - | 25,000 | - | 25,000 |
| Capital outlay | 292,263 | 508,015 | 496,648 | 11,367 |
| <i>Total instruction-regular</i> | <u>292,263</u> | <u>533,015</u> | <u>496,648</u> | <u>36,367</u> |
| Instruction-special | | | | |
| Purchased services | - | 943 | 943 | - |
| <i>Total instruction-special</i> | <u>-</u> | <u>943</u> | <u>943</u> | <u>-</u> |
| Support services-operations and maintenance | | | | |
| Purchased services | - | 23,201 | 23,288 | (87) |
| Capital outlay | 279 | 925,000 | 925,000 | - |
| <i>Total support services-operations and maintenance</i> | <u>279</u> | <u>948,201</u> | <u>948,288</u> | <u>(87)</u> |
| Support services-pupil transportation: | | | | |
| Capital outlay | 166,492 | 166,492 | 166,492 | - |
| <i>Total support services-pupil transportation</i> | <u>166,492</u> | <u>166,492</u> | <u>166,492</u> | <u>-</u> |
| Support services-central | | | | |
| Purchased services | - | 15,288 | 5,000 | 10,288 |
| Capital outlay | - | 82,113 | 72,936 | 9,177 |
| <i>Total support services-central:</i> | <u>-</u> | <u>97,401</u> | <u>77,936</u> | <u>19,465</u> |
| Extracurricular activities: | | | | |
| Purchased services | - | 87,500 | 87,500 | - |
| Capital outlay | - | 779,625 | 780,455 | (830) |
| <i>Total Extracurricular activities:</i> | <u>-</u> | <u>867,125</u> | <u>867,955</u> | <u>(830)</u> |
| <i>Total expenditures</i> | <u>459,034</u> | <u>2,613,177</u> | <u>2,558,262</u> | <u>55,745</u> |
| <i>Excess of revenues (under) expenditures</i> | <u>(459,034)</u> | <u>(2,517,596)</u> | <u>(2,492,891)</u> | <u>25,535</u> |
| Other financing sources (uses): | | | | |
| Sale of assets | 5,000 | - | 5,000 | 5,000 |
| Sale of notes | 161,492 | 3,307,775 | 3,307,775 | - |
| <i>Total other financing sources (uses)</i> | <u>166,492</u> | <u>3,307,775</u> | <u>3,312,775</u> | <u>5,000</u> |
| <i>Net change in fund balance</i> | (292,542) | 790,179 | 819,884 | 30,535 |
| <i>Fund balance at beginning of year</i> | 1,043,755 | 1,043,755 | 1,043,755 | - |
| <i>Prior year encumbrances appropriated</i> | 275,288 | 275,288 | 275,288 | - |
| <i>Fund balance (deficit) at end of year</i> | <u>\$ 1,026,501</u> | <u>\$ 2,109,222</u> | <u>\$ 2,138,927</u> | <u>\$ 30,535</u> |

ROCKY RIVER CITY SCHOOL DISTRICT

FUND DESCRIPTION - NONMAJOR INTERNAL SERVICE FUND

Internal Service Fund

An Internal Service Fund is used to account for the financing of services provided by one department to the other departments of the government or to other districts on a cost reimbursement basis.

Employee 125 Plan/Wellness Fund

This fund accounts for a flexible benefits plan offered to District employees, and for wellness benefits through the District's medical insurance.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMPLOYEE 125 PLAN/WELLNESS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|-----------------|-----------------|---|
| | Original | Final | | |
| Operating revenues: | | | | |
| Other revenue | \$ 265,000 | \$ 265,000 | \$ 215,165 | \$ (49,835) |
| <i>Total operating revenues</i> | <u>265,000</u> | <u>265,000</u> | <u>215,165</u> | <u>(49,835)</u> |
| Operating expenses: | | | | |
| Support services-central | | | | |
| Fringe benefits | 72,700 | 72,700 | 49,859 | 22,841 |
| Other | 195,000 | 195,000 | 191,855 | 3,145 |
| Total support services-central | <u>267,700</u> | <u>267,700</u> | <u>241,714</u> | <u>25,986</u> |
| <i>Total operating expenses</i> | <u>267,700</u> | <u>267,700</u> | <u>241,714</u> | <u>25,986</u> |
| <i>Operating income (loss)</i> | <u>(2,700)</u> | <u>(2,700)</u> | <u>(26,549)</u> | <u>(23,849)</u> |
| Nonoperating revenues: | | | | |
| Transfers in | - | - | 22,000 | 22,000 |
| <i>Total nonoperating revenues</i> | <u>-</u> | <u>-</u> | <u>22,000</u> | <u>22,000</u> |
| <i>Net change in fund equity</i> | (2,700) | (2,700) | (4,549) | (1,849) |
| <i>Fund equity at beginning of year</i> | 2,362 | 2,362 | 2,362 | - |
| <i>Prior year encumbrances appropriated</i> | <u>2,700</u> | <u>2,700</u> | <u>2,700</u> | <u>-</u> |
| <i>Fund equity at end of year</i> | <u>\$ 2,362</u> | <u>\$ 2,362</u> | <u>\$ 513</u> | <u>\$ (1,849)</u> |

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Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023

Statistical Section



Gwyneth Bruder
Kindergarten

ROCKY RIVER CITY SCHOOL DISTRICT

Cuyahoga County | Ohio

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

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

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | 178-189 |
| Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. | 190-197 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | 198-201 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | 202-203 |
| Operating Information 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. | 204-215 |

Sources: Sources are noted on the individual schedules.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|------------------------|------------------------|------------------------|------------------------|
| Governmental activities | | | | |
| Net investment in capital assets | \$ 13,838,050 | \$ 13,865,890 | \$ 13,553,290 | \$ 11,651,505 |
| Restricted | 4,132,721 | 2,866,734 | 3,352,904 | 3,821,398 |
| Unrestricted | (32,195,272) | (36,995,904) | (42,494,762) | (40,056,447) |
| Total governmental activities net position | <u>\$ (14,224,501)</u> | <u>\$ (20,263,280)</u> | <u>\$ (25,588,568)</u> | <u>\$ (24,583,544)</u> |

Source: School District financial records.

Note (1) New terminology in accordance with GASB Statement No. 63 which was implemented in 2013.
Amounts for 2012 and 2011 have been restated to reflect the implementation of GASB Statement No. 65.

Note (2) The District implemented GASB Statement No. 68 and 71 in 2015.
Amounts for 2014 have been restated to reflect the implementation of these statements.

Note (3) The District implemented GASB Statement No. 75 in 2018.
Amounts for 2017 have been restated to reflect the implementation of these statements.

Note (4) The District implemented GASB Statement No. 84 in 2020.
Amounts for 2019 have been restated to reflect the implementation of these statements.

| 2019 (4) | 2018 | 2017 (3) | 2016 | 2015 | 2014 (2) |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ 10,505,165 | \$ 10,275,644 | \$ 7,436,321 | \$ 7,937,930 | \$ 7,029,479 | \$ 8,623,122 |
| 4,156,644 | 5,936,405 | 6,300,947 | 5,459,290 | 4,432,950 | 3,210,557 |
| (34,484,637) | (42,794,371) | (60,499,543) | (41,262,947) | (43,377,711) | (45,895,435) |
| <u>\$ (19,822,828)</u> | <u>\$ (26,582,322)</u> | <u>\$ (46,762,275)</u> | <u>\$ (27,865,727)</u> | <u>\$ (31,915,282)</u> | <u>\$ (34,061,756)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| Expenses | 2023 | 2022 | 2021 | 2020 |
|---|-------------------|-------------------|-------------------|-------------------|
| Governmental activities: | | | | |
| Instruction: | | | | |
| Regular | \$ 19,879,106 | \$ 17,847,678 | \$ 21,310,716 | \$ 20,346,432 |
| Special | 7,374,779 | 6,645,997 | 7,579,964 | 7,894,961 |
| Vocational | 738,802 | 929,744 | 706,506 | 724,604 |
| Other | 557,507 | 625,826 | 360,524 | 477,700 |
| Support services: | | | | |
| Pupil | 3,311,296 | 2,993,036 | 3,227,094 | 3,053,681 |
| Instructional staff | 856,400 | 674,663 | 840,156 | 969,685 |
| Board of education | 48,626 | 55,063 | 41,432 | 39,096 |
| Administration | 2,545,044 | 2,282,015 | 2,824,360 | 2,707,337 |
| Fiscal | 1,482,585 | 1,353,161 | 1,275,267 | 1,253,823 |
| Business | 603,132 | 530,209 | 512,357 | 473,683 |
| Operations and maintenance | 5,253,118 | 5,134,582 | 4,881,929 | 5,334,295 |
| Pupil transportation | 2,145,431 | 1,842,463 | 1,974,788 | 1,882,075 |
| Central | 1,366,412 | 1,246,696 | 1,393,776 | 1,338,267 |
| Operation of non-instructional services: | | | | |
| Food service operations | 588,005 | 505,711 | 360,984 | 492,439 |
| Other non-instructional services | 1,157,012 | 1,162,994 | 1,556,209 | 1,398,257 |
| Extracurricular activities | 1,906,289 | 1,679,081 | 1,667,350 | 1,668,819 |
| Interest and fiscal charges | 1,595,725 | 1,635,484 | 1,719,905 | 1,747,184 |
| Total governmental activities expenses | <u>51,409,269</u> | <u>47,144,403</u> | <u>52,233,317</u> | <u>51,802,338</u> |

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ 17,137,843 | \$ 8,090,869 | \$ 19,307,806 | \$ 17,091,513 | \$ 16,546,508 | \$ 16,298,898 |
| 6,217,377 | 3,509,742 | 6,713,613 | 5,528,063 | 5,294,245 | 5,449,465 |
| 731,305 | 647,675 | 567,967 | 575,640 | 571,305 | 626,356 |
| 458,388 | 188,841 | 549,894 | 482,378 | 378,902 | 31,647 |
| 2,733,097 | 1,442,568 | 2,811,087 | 2,271,806 | 2,278,495 | 2,314,205 |
| 918,793 | 666,999 | 953,686 | 958,588 | 898,872 | 859,521 |
| 37,583 | 32,277 | 48,981 | 39,207 | 43,966 | 37,217 |
| 2,170,306 | 1,008,802 | 2,690,493 | 2,393,423 | 2,262,717 | 2,096,746 |
| 1,171,121 | 991,036 | 1,288,588 | 1,151,899 | 1,127,433 | 1,042,007 |
| 442,729 | 328,344 | 336,886 | 621,087 | 672,249 | 596,468 |
| 3,378,757 | 3,210,899 | 3,837,449 | 3,903,847 | 3,894,476 | 4,499,876 |
| 1,777,109 | 1,033,757 | 1,825,510 | 1,696,185 | 1,852,909 | 2,210,219 |
| 1,221,385 | 938,451 | 1,249,020 | 1,098,364 | 1,101,607 | 1,078,882 |
| 494,086 | 302,939 | 515,304 | 455,659 | 435,311 | 486,890 |
| 1,282,629 | 1,542,790 | 1,673,845 | 1,538,558 | 1,746,340 | 1,322,546 |
| 1,579,480 | 1,101,585 | 1,839,512 | 1,723,651 | 1,925,428 | 1,697,129 |
| 1,760,346 | 1,766,519 | 1,845,834 | 1,992,131 | 2,588,663 | 2,852,591 |
| <u>43,512,334</u> | <u>26,804,093</u> | <u>48,055,475</u> | <u>43,521,999</u> | <u>43,619,426</u> | <u>43,500,663</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION - (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| Program Revenues | 2023 | 2022 | 2021 | 2020 |
|--|------------------------|------------------------|------------------------|------------------------|
| Governmental activities: | | | | |
| Charges for services: | | | | |
| Instruction: | | | | |
| Regular | \$ 676,971 | \$ 552,525 | \$ 211,062 | \$ 519,051 |
| Special | 35,099 | 74,662 | 1,080 | 51,621 |
| Support services: | | | | |
| Pupil | 86,051 | 48,923 | 59,211 | 92,425 |
| Instructional staff | 2,673 | 938 | 753 | 1,312 |
| Administration | - | - | - | - |
| Fiscal | - | - | 41 | 35 |
| Business | - | - | - | - |
| Operations and maintenance | 235,812 | 159,324 | 212,515 | 245,540 |
| Pupil transportation | 55,939 | 61,806 | 38,807 | 42,985 |
| Central | 7,002 | 3,769 | 3,626 | 4,883 |
| Operation of non-instructional services: | | | | |
| Food service operations | 455,359 | 436,454 | 109,955 | 342,651 |
| Other non-instructional services | 9,082 | 19,438 | 18,590 | 25,005 |
| Extracurricular activities | 342,964 | 298,883 | 205,698 | 236,971 |
| Operating grants and contributions: | | | | |
| Instruction: | | | | |
| Regular | 106,156 | 451,395 | 334,937 | 157,435 |
| Special | 1,405,634 | 1,723,469 | 934,037 | 892,123 |
| Vocational | 1,595 | 963 | 2,964 | 2,964 |
| Other instructional | 295,271 | 506,135 | - | - |
| Support services: | | | | |
| Pupil | 378,555 | 332,836 | 453,991 | 362,331 |
| Instructional staff | 43,605 | 88,841 | 65,135 | 47,833 |
| Administration | - | - | - | 4,649 |
| Fiscal | - | - | 21 | - |
| Business | - | - | - | - |
| Operations and maintenance | 3,681 | 7,602 | 201,036 | 45,986 |
| Pupil transportation | 276,937 | 189,986 | 84,286 | 143,948 |
| Central | - | - | 10 | 24 |
| Operation of non-instructional services: | | | | |
| Food service operations | 227,770 | 181,639 | 33,896 | 107,589 |
| Other non-instructional services | 1,051,190 | 1,051,264 | 1,522,366 | 1,480,998 |
| Extracurricular activities | 184,601 | 114,145 | 31,852 | 87,752 |
| Capital grants and contributions: | | | | |
| Instruction: | | | | |
| Regular | - | - | - | - |
| Support services: | | | | |
| Operations and maintenance | 58,603 | - | - | - |
| Pupil transportation | 45,000 | - | - | - |
| Extracurricular activities | 65,371 | 66,900 | 141,000 | 313,548 |
| Total governmental program revenues | <u>6,050,921</u> | <u>6,371,897</u> | <u>4,666,869</u> | <u>5,209,659</u> |
| Net (Expense)/Revenue | | | | |
| Governmental activities | <u>\$ (45,358,348)</u> | <u>\$ (40,772,506)</u> | <u>\$ (47,566,448)</u> | <u>\$ (46,592,679)</u> |

| | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|----|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ | 547,457 | \$ 501,023 | \$ 366,065 | \$ 253,054 | \$ 332,047 | \$ 343,724 |
| | 39,930 | 70,624 | 13,226 | 3,799 | 7,528 | - |
| | 123,905 | 142,780 | 155,167 | 154,796 | 113,570 | 116,031 |
| | 1,178 | 2,572 | 305 | 1,744 | 777 | 201 |
| | - | - | - | - | - | 605 |
| | 4,490 | 5,324 | 7,593 | 288 | 1,212 | 1,188 |
| | - | - | - | - | - | 13,182 |
| | 213,232 | 182,604 | 139,807 | 184,144 | 367,036 | 14,899 |
| | 69,320 | 80,920 | 72,333 | 56,084 | 47,669 | 124,667 |
| | 5,380 | 6,888 | 6,254 | 4,349 | 5,818 | 9,416 |
| | 391,257 | 365,509 | 367,643 | 359,323 | 312,307 | 279,003 |
| | 28,090 | 26,720 | 25,584 | 28,150 | 32,031 | 39,280 |
| | 241,357 | 256,651 | 248,770 | 366,800 | 369,914 | 287,251 |
| | 95,696 | 61,848 | 84,299 | 86,272 | 59,751 | 94,731 |
| | 867,605 | 927,270 | 938,068 | 882,199 | 836,860 | 1,039,051 |
| | 2,964 | 2,964 | 2,962 | 3,022 | 3,782 | 4,438 |
| | - | - | - | - | - | - |
| | 269,727 | 192,810 | 198,734 | 209,450 | 222,361 | 264,780 |
| | 43,256 | 33,504 | 30,485 | 29,155 | 33,347 | 43,232 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | - | 1,038 | - | - | - | - |
| | 17,461 | 3,780 | 2,569 | - | 18,423 | - |
| | 135,643 | 140,179 | 218,435 | 124,038 | 150,268 | 142,774 |
| | 205 | 103 | 324 | 17 | - | - |
| | 131,646 | 127,643 | 146,921 | 103,178 | 119,743 | 99,674 |
| | 1,382,850 | 1,390,846 | 1,582,125 | 1,550,917 | 1,571,728 | 1,474,629 |
| | 104,273 | 135,908 | 122,744 | 132,802 | 116,957 | 114,758 |
| | - | - | - | 2,000 | 7,000 | - |
| | - | - | - | - | 16,175 | 142,070 |
| | - | - | - | - | - | - |
| | - | - | - | - | 7,500 | - |
| | <u>4,716,922</u> | <u>4,659,508</u> | <u>4,730,413</u> | <u>4,535,581</u> | <u>4,753,804</u> | <u>4,649,584</u> |
| | <u>\$ (38,795,412)</u> | <u>\$ (22,144,585)</u> | <u>\$ (43,325,062)</u> | <u>\$ (38,986,418)</u> | <u>\$ (38,865,622)</u> | <u>\$ (38,851,079)</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION - (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--|---------------------|---------------------|-----------------------|-----------------------|
| General Revenues and Other Changes in Net Position | | | | |
| Governmental activities: | | | | |
| Property taxes levied for: | | | | |
| General purposes | \$ 40,595,644 | \$ 36,357,724 | \$ 35,548,083 | \$ 31,575,162 |
| Debt service | 2,390,259 | 2,474,678 | 2,756,457 | 2,510,297 |
| Capital outlay | 1,081,183 | 863,989 | 812,376 | 701,820 |
| Payments in lieu of taxes | 289,879 | 159,231 | 745,900 | 424,190 |
| Grants and entitlements not restricted to specific programs | 6,382,676 | 6,283,647 | 6,561,333 | 5,871,435 |
| Investment earnings | 542,565 | 123,226 | 52,784 | 503,779 |
| (Decrease) in fair value of investments | (35,819) | (278,794) | - | - |
| Gain on sale of capital assets | - | - | - | - |
| Miscellaneous | 150,740 | 114,093 | 84,491 | 245,280 |
| Total governmental activities | <u>51,397,127</u> | <u>46,097,794</u> | <u>46,561,424</u> | <u>41,831,963</u> |
| | | | | |
| Change in Net Position | | | | |
| Governmental activities | <u>\$ 6,038,779</u> | <u>\$ 5,325,288</u> | <u>\$ (1,005,024)</u> | <u>\$ (4,760,716)</u> |

Source: School District financial records.

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---------------------|----------------------|-----------------------|---------------------|---------------------|---------------------|
| \$ 34,704,733 | \$ 32,438,618 | \$ 26,689,995 | \$ 31,323,703 | \$ 29,517,041 | \$ 30,643,867 |
| 2,641,386 | 2,372,836 | 3,835,280 | 4,661,835 | 4,170,723 | 4,289,516 |
| 776,002 | 634,832 | 298,684 | 359,481 | 320,871 | 249,019 |
| 334,634 | 107,689 | - | - | - | - |
| 6,341,196 | 6,352,566 | 6,474,502 | 6,413,061 | 6,698,371 | 6,770,388 |
| 384,075 | 178,329 | 107,115 | 95,231 | 73,717 | 46,764 |
| - | - | - | - | - | - |
| - | - | - | 47,358 | - | - |
| 160,398 | 239,668 | 177,688 | 135,304 | 231,373 | 407,580 |
| <u>45,342,424</u> | <u>42,324,538</u> | <u>37,583,264</u> | <u>43,035,973</u> | <u>41,012,096</u> | <u>42,407,134</u> |
| <u>\$ 6,547,012</u> | <u>\$ 20,179,953</u> | <u>\$ (5,741,798)</u> | <u>\$ 4,049,555</u> | <u>\$ 2,146,474</u> | <u>\$ 3,556,055</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund: | | | | |
| Nonspendable | \$ 128,605 | \$ 124,850 | \$ 175,021 | \$ 147,852 |
| Assigned | 1,212,737 | 2,498,602 | 1,987,655 | 4,029,688 |
| Unassigned | <u>11,235,596</u> | <u>5,216,167</u> | <u>5,525,576</u> | <u>2,462,115</u> |
| Total general fund | <u>\$ 12,576,938</u> | <u>\$ 7,839,619</u> | <u>\$ 7,688,252</u> | <u>\$ 6,639,655</u> |
| All Other Governmental Funds: | | | | |
| Nonspendable | \$ 4,885 | \$ 5,127 | \$ 2,320 | \$ 2,168 |
| Restricted | 6,290,506 | 4,581,878 | 3,770,725 | 4,208,472 |
| Committed | 1,306,722 | 997,967 | 852,054 | 933,284 |
| Unassigned (deficit) | <u>(219,165)</u> | <u>(90,215)</u> | <u>(321,165)</u> | <u>(18,203)</u> |
| Total all other governmental funds | <u>\$ 7,382,948</u> | <u>\$ 5,494,757</u> | <u>\$ 4,303,934</u> | <u>\$ 5,125,721</u> |
| Total governmental funds | <u>\$ 19,959,886</u> | <u>\$ 13,334,376</u> | <u>\$ 11,992,186</u> | <u>\$ 11,765,376</u> |

Source: School District financial records.

Note (1): In fiscal year 2011, the District has implemented GASB 54, which reclassified fund balances and some fund types to the general fund.

Note (2) The District implemented GASB Statement No. 84 in 2020.
Amounts for 2019 have been restated to reflect the implementation of these statements.

| <u>2019 (2)</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 130,415 | \$ 162,384 | \$ 126,008 | \$ 199,985 | \$ 185,417 | \$ 58,976 |
| 1,404,909 | 737,205 | 789,323 | 1,348,877 | 1,845,865 | 528,029 |
| 7,814,413 | 7,341,853 | 6,470,982 | 9,432,384 | 7,097,332 | 6,883,904 |
| <u>\$ 9,349,737</u> | <u>\$ 8,241,442</u> | <u>\$ 7,386,313</u> | <u>\$ 10,981,246</u> | <u>\$ 9,128,614</u> | <u>\$ 7,470,909</u> |
| \$ 3,142 | \$ 1,318 | \$ 2,960 | \$ 974 | \$ 718 | \$ 790 |
| 4,139,707 | 5,998,192 | 6,579,423 | 5,667,592 | 4,758,961 | 3,768,459 |
| 968,918 | 455,750 | 218,940 | 9,065 | 23,970 | 437,820 |
| (179,151) | (29,139) | (22,498) | (184,780) | (6,776) | (5,084) |
| <u>\$ 4,932,616</u> | <u>\$ 6,426,121</u> | <u>\$ 6,778,825</u> | <u>\$ 5,492,851</u> | <u>\$ 4,776,873</u> | <u>\$ 4,201,985</u> |
| <u>\$ 14,282,353</u> | <u>\$ 14,667,563</u> | <u>\$ 14,165,138</u> | <u>\$ 16,474,097</u> | <u>\$ 13,905,487</u> | <u>\$ 11,672,894</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | <u>2023</u> | <u>2022</u> | <u>2021 (1)</u> | <u>2020</u> |
|--|---------------------|---------------------|-------------------|-----------------------|
| Revenues | | | | |
| Property taxes | \$ 44,548,117 | \$ 39,010,878 | \$ 39,041,536 | \$ 34,453,307 |
| Payment in lieu of taxes | 289,879 | 159,231 | 745,900 | 424,190 |
| Tuition and fees | 779,838 | 711,542 | 277,155 | 413,700 |
| Transportation fees | - | - | - | 42,982 |
| Investment earnings | 582,099 | 125,409 | 65,449 | 516,487 |
| Charges for services | 490,707 | 471,882 | 162,136 | 342,651 |
| Extracurricular activities | 400,595 | 313,974 | 209,389 | 267,789 |
| Classroom materials and fees | - | - | - | 191,681 |
| Rental income | 235,812 | 259,324 | 212,658 | 247,087 |
| Contributions and donations | 330,681 | 376,095 | 269,914 | 412,582 |
| Contract services | - | - | - | 56,589 |
| Miscellaneous | 213,331 | 180,361 | 91,164 | 190,997 |
| Intergovernmental | 10,020,194 | 10,488,866 | 10,038,733 | - |
| (Decrease) in fair value of investments | (35,819) | (278,794) | - | - |
| Intergovernmental - State | - | - | - | 7,492,909 |
| Intergovernmental - Federal | - | - | - | 1,495,906 |
| Total revenues | <u>57,855,434</u> | <u>51,818,768</u> | <u>51,114,034</u> | <u>46,548,857</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 19,547,993 | 19,257,482 | 19,380,412 | 18,257,944 |
| Special | 7,216,372 | 7,044,377 | 6,852,968 | 7,152,333 |
| Vocational | 714,838 | 896,067 | 675,750 | 692,332 |
| Other | 548,651 | 670,610 | 321,616 | 424,512 |
| Current: | | | | |
| Pupil | 3,267,431 | 3,135,202 | 2,917,917 | 2,782,590 |
| Instructional staff | 848,856 | 712,043 | 753,328 | 833,400 |
| Board of education | 47,064 | 53,313 | 37,680 | 35,222 |
| Administration | 2,561,914 | 2,469,996 | 2,519,965 | 2,395,744 |
| Fiscal | 1,442,790 | 1,351,237 | 1,198,166 | 1,191,701 |
| Business | 499,713 | 476,199 | 480,355 | 436,916 |
| Operations and maintenance | 5,611,901 | 5,027,636 | 4,856,347 | 4,961,188 |
| Pupil transportation | 2,161,134 | 1,873,144 | 1,751,593 | 1,730,128 |
| Central | 1,033,634 | 912,312 | 889,067 | 859,262 |
| Operation of non-instructional services: | | | | |
| Food service operations | 568,954 | 524,009 | 337,040 | 459,372 |
| Other non-instructional services | 1,077,886 | 1,111,581 | 1,722,275 | 1,463,558 |
| Extracurricular activities | 1,846,104 | 1,607,482 | 1,377,246 | 1,395,880 |
| Facilities acquisitions and construction | 1,459,036 | 238,307 | 845,936 | 1,123,591 |
| Debt service: | | | | |
| Principal retirement | 3,129,119 | 3,189,191 | 2,969,834 | 2,862,084 |
| Interest and fiscal charges | 1,526,467 | 1,437,484 | 1,699,297 | 1,729,438 |
| Bond issuance costs | - | 193,182 | - | - |
| Total expenditures | <u>55,109,857</u> | <u>52,180,854</u> | <u>51,586,792</u> | <u>50,787,195</u> |
| Excess of revenues over (under) expenditures | 2,745,577 | (362,086) | (472,758) | (4,238,338) |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 398,350 | 278,350 | 378,350 | 466,953 |
| Transfers (out) | (420,350) | (288,350) | (388,350) | (471,953) |
| Inception of finance-purchase transactions | 346,283 | 1,424,634 | 709,568 | 1,595,995 |
| Inception of SBITA transactions | 755,650 | - | - | - |
| Insurance proceeds | - | 26,460 | - | 130,366 |
| Sale of capital assets | - | 70,000 | - | - |
| Sale of notes | 2,800,000 | - | - | - |
| Premium on bonds issued | - | 1,339,394 | - | - |
| Issuance of bonds | - | 12,407,806 | - | - |
| Payment to refunded bond escrow agent | - | (13,554,018) | - | - |
| Total other financing sources (uses) | <u>3,879,933</u> | <u>1,704,276</u> | <u>699,568</u> | <u>1,721,361</u> |
| Net change in fund balances | <u>\$ 6,625,510</u> | <u>\$ 1,342,190</u> | <u>\$ 226,810</u> | <u>\$ (2,516,977)</u> |
| Capital expenditures (included in expenditures above) | 3,924,202 | 1,045,989 | 2,519,010 | 2,735,529 |
| Debt service principal and interest as a percentage of noncapital expenditures | 9.10% | 9.05% | 9.52% | 9.56% |

Source: School District financial records.

Note (1): In fiscal year 2021, the District combined intergovernmental state and federal into intergovernmental.

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|----|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ | 38,044,761 | \$ 35,548,181 | \$ 30,837,750 | \$ 36,291,859 | \$ 34,070,103 | \$ 35,291,160 |
| | 334,634 | 107,689 | - | - | - | - |
| | 366,879 | 403,932 | 193,822 | 65,712 | 130,422 | 126,906 |
| | 65,568 | 65,898 | 74,079 | 64,073 | 57,891 | 54,372 |
| | 391,447 | 186,883 | 118,459 | 94,265 | 70,043 | 45,442 |
| | 391,257 | 365,509 | 367,643 | 348,458 | 312,307 | 279,003 |
| | 286,393 | 315,480 | 304,111 | 391,027 | 378,655 | 268,776 |
| | 222,374 | 218,045 | 212,573 | 236,165 | 194,115 | 212,639 |
| | 267,355 | 218,904 | 214,859 | 200,034 | 215,630 | 217,150 |
| | 138,605 | 105,213 | 125,642 | 157,015 | 138,762 | 163,651 |
| | 61,858 | 53,387 | 62,319 | 108,476 | 130,875 | 100,601 |
| | 267,366 | 231,473 | 243,526 | 230,771 | 314,300 | 537,491 |
| | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| | 7,532,988 | 7,558,465 | 7,776,501 | 7,656,758 | 7,731,072 | 7,618,520 |
| | 1,629,339 | 1,603,030 | 1,792,070 | 1,611,986 | 1,888,511 | 2,190,815 |
| | <u>50,000,824</u> | <u>46,982,089</u> | <u>42,323,354</u> | <u>47,456,599</u> | <u>45,632,686</u> | <u>47,106,526</u> |

| | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 18,075,687 | 17,212,053 | 16,864,012 | 16,220,433 | 15,489,863 | 15,024,382 |
| | 6,645,516 | 6,391,689 | 5,955,869 | 5,393,621 | 5,115,014 | 5,158,739 |
| | 698,988 | 632,171 | 540,859 | 549,687 | 545,158 | 603,251 |
| | 500,038 | 515,141 | 515,041 | 459,907 | 322,928 | 30,480 |
| | 2,866,410 | 2,624,818 | 2,512,204 | 2,300,683 | 2,270,790 | 2,179,148 |
| | 885,336 | 932,219 | 853,338 | 944,928 | 838,728 | 813,764 |
| | 37,330 | 39,939 | 45,599 | 36,254 | 40,989 | 35,077 |
| | 2,391,032 | 2,334,012 | 2,279,442 | 2,349,706 | 2,195,048 | 1,986,935 |
| | 1,186,227 | 1,266,821 | 1,156,463 | 1,105,800 | 1,076,153 | 1,004,009 |
| | 450,381 | 419,973 | 471,933 | 526,389 | 546,672 | 614,260 |
| | 4,428,517 | 4,264,023 | 3,918,522 | 4,426,113 | 3,781,541 | 3,895,820 |
| | 1,862,885 | 1,601,581 | 1,892,881 | 1,667,101 | 1,621,945 | 2,036,363 |
| | 820,665 | 791,777 | 726,897 | 669,544 | 659,067 | 712,571 |
| | 505,545 | 468,705 | 458,771 | 427,629 | 398,302 | 420,881 |
| | 1,359,993 | 1,561,652 | 1,616,783 | 1,467,995 | 1,639,375 | 1,269,621 |
| | 1,557,131 | 1,615,369 | 1,561,844 | 1,564,410 | 1,727,562 | 1,481,407 |
| | 2,646,732 | 911,409 | 290,934 | 8,870 | 836,697 | 6,336,134 |
| | 2,589,866 | 4,260,759 | 2,960,900 | 2,811,936 | 1,947,298 | 1,892,300 |
| | 1,745,512 | 1,762,830 | 1,800,365 | 2,019,518 | 2,358,615 | 2,840,827 |
| | - | - | 65,195 | - | 300,739 | - |
| | <u>51,253,791</u> | <u>49,606,941</u> | <u>46,487,852</u> | <u>44,950,524</u> | <u>43,712,484</u> | <u>48,335,969</u> |
| | (1,252,967) | (2,624,852) | (4,164,498) | 2,506,075 | 1,920,202 | (1,229,443) |

| | | | | | | |
|----|------------------|-------------------|-----------------------|---------------------|---------------------|---------------------|
| | 272,350 | 1,225,000 | 125,000 | 100,400 | 124,000 | 310,000 |
| | (277,350) | (1,225,000) | (125,000) | (100,400) | (124,000) | (310,000) |
| | 635,422 | 3,000,000 | 2,266,000 | - | - | 569,487 |
| | - | - | - | - | - | - |
| | 24,853 | 127,277 | - | - | - | - |
| | - | - | 19,744 | 62,535 | 10,799 | 20,568 |
| | - | - | - | - | - | - |
| | - | - | 500,191 | - | 837,902 | - |
| | - | - | 7,440,000 | - | 28,250,000 | - |
| | - | - | (8,370,396) | - | (28,786,310) | - |
| | <u>655,275</u> | <u>3,127,277</u> | <u>1,855,539</u> | <u>62,535</u> | <u>312,391</u> | <u>590,055</u> |
| \$ | <u>(597,692)</u> | <u>\$ 502,425</u> | <u>\$ (2,308,959)</u> | <u>\$ 2,568,610</u> | <u>\$ 2,232,593</u> | <u>\$ (639,388)</u> |
| | 4,199,217 | 1,092,816 | 1,523,070 | 1,210,801 | 850,762 | 5,792,412 |

| | | | | | | |
|--|-------|--------|--------|--------|--------|--------|
| | 9.21% | 12.42% | 10.59% | 11.05% | 10.05% | 11.13% |
|--|-------|--------|--------|--------|--------|--------|

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

| Collection Year | Real Property | | Public Utility | | Total | |
|-----------------|------------------|----------------------------|----------------|----------------------------|------------------|------------------------|
| | Assessed Value | Estimated Actual Value (1) | Assessed Value | Estimated Actual Value (1) | Assessed Value | Estimated Actual Value |
| 2023 | \$ 1,078,771,600 | \$ 3,082,204,571 | \$ 14,282,960 | \$ 16,230,636 | \$ 1,093,054,560 | \$ 3,098,435,208 |
| 2022 | 1,071,155,760 | 3,060,445,029 | 13,143,890 | 14,936,239 | 1,084,299,650 | 3,075,381,267 |
| 2021 | 910,749,190 | 2,602,140,543 | 12,360,850 | 14,046,420 | 923,110,040 | 2,616,186,963 |
| 2020 | 910,033,840 | 2,600,096,686 | 11,618,400 | 13,202,727 | 921,652,240 | 2,613,299,413 |
| 2019 | 903,744,990 | 2,582,128,543 | 10,880,040 | 12,363,682 | 914,625,030 | 2,594,492,225 |
| 2018 | 773,047,770 | 2,208,707,914 | 10,486,080 | 11,916,000 | 783,533,850 | 2,220,623,914 |
| 2017 | 773,143,600 | 2,208,981,714 | 9,792,220 | 11,127,523 | 782,935,820 | 2,220,109,237 |
| 2016 (3) | 762,010,490 | 2,177,172,829 | 9,249,080 | 10,510,318 | 771,259,570 | 2,187,683,147 |
| 2015 | 705,022,610 | 2,014,350,314 | 9,091,230 | 10,330,943 | 714,113,840 | 2,024,681,257 |
| 2014 | 699,150,170 | 1,997,571,914 | 8,655,880 | 9,836,227 | 707,806,050 | 2,007,408,142 |

Source: Cuyahoga County Fiscal Officer's Office.

Note (1): This amount is calculated based on the following percentages:
Real estate is assessed at 35% of actual value.
Public utility personal is assessed at 88% of actual value.

Note (2): Reappraisal of property values.

Note (3): Triennial update of property values.

| <u>%</u> | <u>Direct Tax Rates</u> |
|----------|---------------------------------|
| 35.28% | \$ 95.17 |
| 35.26% | 90.27 |
| 35.28% | 91.27 |
| 35.27% | 91.37 |
| 35.25% | 91.57 |
| 35.28% | 90.97 |
| 35.27% | 89.55 |
| 35.25% | 89.55 |
| 35.27% | 89.55 |
| 35.26% | 89.55 |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

| Tax Year/ Collection Year | Overlapping Rates | | | Direct Rates | | | | Total |
|---------------------------------|-------------------|---------|-------|--------------|------|-----------------------|---------|-------|
| | County (1) | Library | City | Voted | | | Unvoted | |
| | | | | General | Bond | Permanent Improvement | | |
| 2022/2023 | 22.63 | 6.10 | 10.55 | 87.55 | 2.30 | 0.75 | 4.57 | 95.17 |
| 2021/2022 | 22.63 | 6.10 | 10.65 | 82.90 | 2.30 | 0.50 | 4.57 | 90.27 |
| 2020/2021 | 22.63 | 6.10 | 10.68 | 82.90 | 3.30 | 0.50 | 4.57 | 91.27 |
| 2019/2020 | 21.83 | 6.10 | 10.68 | 82.90 | 3.40 | 0.50 | 4.57 | 91.37 |
| 2018/2019 | 21.43 | 6.10 | 10.68 | 82.90 | 3.60 | 0.50 | 4.57 | 91.57 |
| 2017/2018 | 21.43 | 6.10 | 10.80 | 82.90 | 2.50 | 0.50 | 5.07 | 90.97 |
| 2016/2017 | 20.93 | 6.10 | 10.80 | 78.50 | 6.48 | - | 4.57 | 89.55 |
| 2015/2016 | 20.93 | 6.10 | 10.90 | 78.50 | 6.48 | - | 4.57 | 89.55 |
| 2014/2015 | 20.93 | 6.10 | 10.90 | 78.50 | 6.48 | - | 4.57 | 89.55 |
| 2013/2014 | 18.10 | 6.10 | 10.90 | 78.50 | 6.48 | - | 4.57 | 89.55 |

Source: Cuyahoga County Fiscal Officer's Office.

Note (1): Includes Cleveland Metropolitan Park District, Cuyahoga County College District, and Cleveland-Cuyahoga County Port Authority.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2022 AND DECEMBER 31, 2013

| December 31, 2022 | | | |
|--|-------------------------------|-------------|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total Real Estate Assessed Value |
| Westgate SC LLC | \$ 17,963,660 | 1 | 1.67% |
| Rocky River Apartments, LLC | 10,297,280 | 2 | 0.95% |
| Rocky River Preservation Partners II LLC | 7,459,390 | 3 | 0.69% |
| Westwood Town Center LLC | 7,390,680 | 4 | 0.69% |
| Normandy II Limited Partnership | 5,534,110 | 5 | 0.51% |
| SPK Perrysburg Associates LLC | 4,670,750 | 6 | 0.43% |
| TIA Rocky River LLC | 4,346,030 | 7 | 0.40% |
| 20639 Center Ridge Rd. LLC | 3,872,580 | 8 | 0.36% |
| Presidential Apts Ltd | 3,717,600 | 9 | 0.34% |
| Beachcliff Place Apartments LLC | 3,459,960 | 10 | 0.32% |
| Total | <u>\$ 68,712,040</u> | | <u>6.36%</u> |
| Total Real Estate Valuation | <u>\$ 1,078,771,600</u> | | |

| December 31, 2013 | | | |
|-------------------------------------|-------------------------------|-------------|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total Real Estate Assessed Value |
| Inland Westgate, LLC | \$ 14,769,770 | 1 | 2.11% |
| Cleveland Electric Illuminating Co. | 7,278,540 | 2 | 1.04% |
| Westwood Town Center | 7,007,250 | 3 | 1.00% |
| Normandy Associates, Ltd. | 5,680,480 | 4 | 0.81% |
| Beachcliff Properties | 4,049,540 | 5 | 0.58% |
| SRK Perrysburg Association, LLC | 3,277,890 | 6 | 0.47% |
| Westwood Country Club | 3,221,055 | 7 | 0.46% |
| Presidential Apartments Ltd. | 2,773,120 | 8 | 0.40% |
| W & F Plaza Investments | 2,684,610 | 9 | 0.38% |
| Gross Management, Inc. | 2,607,960 | 10 | 0.37% |
| Total | <u>\$ 53,350,215</u> | | <u>7.62%</u> |
| Total Real Estate Valuation | <u>\$ 699,150,170</u> | | |

Source: Cuyahoga County Fiscal Officer's Office.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS,
TANGIBLE PERSONAL PROPERTY AND PUBLIC UTILITY PROPERTY TAX
DECEMBER 31, 2022 AND DECEMBER 31, 2013

| December 31, 2022 | | | |
|---|-------------------------------|-------------|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total Tangible Personal Property and Public Utility Assessed Value |
| Cleveland Electric Illuminating Company | \$ 9,186,930 | 1 | 64.32% |
| American Transmission Systems Company | 3,110,380 | 2 | 21.78% |
| East Ohio Gas Company | 1,985,650 | 3 | 13.90% |
| Total | \$ 14,282,960 | | 100.00% |
| Total Tangible Personal Property and Public Utility Assessed Valuation | \$ 14,282,960 | | |

| December 31, 2013 | | | |
|---|-------------------------------|-------------|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total Tangible Personal Property and Public Utility Assessed Value |
| Cleveland Electric Illuminating Company | \$ 7,278,540 | 1 | 84.09% |
| East Ohio Gas Company | 866,240 | 2 | 10.01% |
| American Transmission Systems Company | 511,100 | 3 | 5.90% |
| Total | \$ 8,655,880 | | 100.00% |
| Total Tangible Personal Property and Public Utility Assessed Valuation | \$ 8,655,880 | | |

Source: Cuyahoga County Fiscal Officer's Office.

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**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

| Tax Year/ Collection Year | Current Levy | Delinquent Levy | Total Levy | Current Collection | Percent of Current Levy Collected |
|--|-------------------------|----------------------------|-----------------------|-------------------------------|--|
| 2022/2023 | \$ 49,023,909 | \$ 2,297,230 | \$ 51,321,139 | \$ 47,393,560 | 96.67% |
| 2021/2022 | 43,185,747 | 1,621,662 | 44,807,409 | 40,969,530 | 94.87% |
| 2020/2021 | 42,773,669 | 1,289,224 | 44,062,893 | 41,684,251 | 97.45% |
| 2019/2020 | 42,503,602 | 990,680 | 43,494,282 | 41,146,189 | 96.81% |
| 2018/2019 | 42,402,024 | 1,222,374 | 43,624,398 | 41,698,084 | 98.34% |
| 2017/2018 | 40,342,966 | 1,197,680 | 41,540,646 | 39,543,266 | 98.02% |
| 2016/2017 | 39,475,583 | 1,265,351 | 40,740,934 | 38,712,803 | 98.07% |
| 2015/2016 | 39,132,617 | 1,516,211 | 40,648,828 | 38,350,553 | 98.00% |
| 2014/2015 | 37,502,694 | 1,509,397 | 39,012,091 | 36,168,702 | 96.44% |
| 2013/2014 | 37,291,914 | 1,120,008 | 38,411,922 | 36,263,892 | 97.24% |

Source: Cuyahoga County Fiscal Officer's Office.

| Delinquent Collection | Total Collection | Total Collection As a Percent of Total Levy |
|----------------------------------|-----------------------------|--|
| \$ 1,834,841 | \$ 49,228,401 | 95.92% |
| 1,287,432 | 42,256,962 | 94.31% |
| 1,196,749 | 42,881,000 | 97.32% |
| 701,979 | 41,848,168 | 96.22% |
| 934,472 | 42,632,556 | 97.73% |
| 701,407 | 40,244,673 | 96.88% |
| 833,208 | 39,546,011 | 97.07% |
| 773,935 | 39,124,488 | 96.25% |
| 883,269 | 37,051,971 | 94.98% |
| 723,435 | 36,987,328 | 96.29% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

| Fiscal Year | Governmental Activities | | | (1) Total Primary Government | (2) Per Capita | (2) Per ADM | (3) Percentage of Personal Income |
|-------------|--------------------------------|--|-------------------------|---------------------------------------|----------------------|-------------------|--|
| | General Obligation Bonds | Finance Purchased Note Payable and Lease Payable (4) | (5) SBITA Payable | | | | |
| 2023 | \$ 30,894,417 | \$ 5,520,438 | \$ 1,708,154 | \$ 38,123,009 | \$ 1,752 | \$ 14,419 | 2.90% |
| 2022 | 32,439,352 | 6,293,998 | 1,491,780 | 40,225,130 | 1,849 | 14,993 | 3.16% |
| 2021 (4) | 34,037,988 | 5,848,555 | - | 39,886,543 | 1,833 | 15,206 | 3.38% |
| 2020 | 36,133,448 | 5,872,316 | - | 42,005,764 | 2,078 | 15,308 | 4.05% |
| 2019 | 38,201,861 | 5,118,405 | - | 43,320,266 | 2,143 | 15,793 | 4.27% |
| 2018 | 40,243,049 | 5,082,849 | - | 45,325,898 | 2,242 | 16,800 | 5.44% |
| 2017 | 44,186,845 | 2,453,608 | - | 46,640,453 | 2,307 | 17,319 | 5.60% |
| 2016 | 46,563,956 | 308,508 | - | 46,872,464 | 2,319 | 17,051 | 5.63% |
| 2015 | 49,305,578 | 405,444 | - | 49,711,022 | 2,459 | 17,946 | 5.97% |
| 2014 | 50,342,460 | 742,742 | - | 51,085,202 | 2,527 | 18,970 | 6.13% |

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

Note (1): Bonded debt includes accreted interest on capital appreciation bonds and unamortized premiums.

Note (2): See schedule " Demographic and Economic Statistic, Last Ten Years" for per capita personal income, population and enrollment information.

Note (3): See schedule " Demographic and Economic Statistic, Last Ten Years" for per capita personal income, and population. Personal income equals per capita personal income times population.

Note (4): Due to the implementation of GASB No. 87, amount for fiscal year 2021 have been restated and the term "lease purchase" has been changed to "finance purchase note payable and lease payable".

Note (5): Due to the implementation of GASB No. 96, amount for fiscal year 2022 have been restated.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

| Fiscal Year | General Bonded Debt Outstanding | | | Percentage of Actual Taxable Value of Property (2) | Per Capita (2) |
|-------------|---------------------------------|--|-----------------------------|--|----------------|
| | General Obligation Bonds (1) | Less: Net Position Restricted for Debt Service (2) | Net General Bonded Debt (2) | | |
| 2023 | \$ 30,894,417 | \$ 1,680,576 | 29,213,841 | 0.94% | 1,343 |
| 2022 | 32,439,352 | 1,355,076 | 31,084,276 | 1.01% | 1,429 |
| 2021 | 34,037,988 | 2,894,734 | 31,143,254 | 1.19% | 1,432 |
| 2020 | 36,133,448 | 2,637,478 | 33,495,970 | 1.28% | 1,657 |
| 2019 | 38,201,861 | 3,149,704 | 35,052,157 | 1.35% | 1,734 |
| 2018 | 40,243,049 | 3,334,779 | 36,908,270 | 1.66% | 1,826 |
| 2017 | 44,186,845 | 4,582,656 | 39,604,189 | 1.78% | 1,959 |
| 2016 | 46,563,956 | 4,850,278 | 41,713,678 | 1.91% | 2,064 |
| 2015 | 49,305,578 | 3,756,997 | 45,548,581 | 2.25% | 2,253 |
| 2014 | 50,342,460 | 2,849,477 | 47,492,983 | 2.37% | 2,350 |
| 2013 | 51,853,680 | 2,681,951 | 49,171,729 | 2.46% | 2,433 |

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

Note (1): Includes unamortized premiums and accreted interest on capital appreciation bonds.

Note (2): Amounts and calculations have been updated for 2017-2010 to reflect the net position restricted for debt service.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2023

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable (1)</u> | <u>Estimated Share of Overlapping Debt</u> |
|--------------------------------------|-----------------------------|--|--|
| Direct debt: | | | |
| Rocky River City School District (2) | \$ 38,123,009 | 100.00% | \$ 38,123,009 |
| Total direct debt | <u>38,123,009</u> | | <u>38,123,009</u> |
| Overlapping debt: | | | |
| City of Rocky River | 12,256,601 | 100.00% | 12,256,601 |
| Cuyahoga County | 240,795,000 | 3.14% | 7,562,069 |
| City of Fairview Park | 15,625,000 | 7.39% | 1,154,958 |
| Total overlapping debt | <u>268,676,601</u> | | <u>20,973,628</u> |
| Total direct and overlapping debt | <u>\$ 306,799,610</u> | | <u>\$ 59,096,637</u> |

Source: Cuyahoga County Fiscal Officer.

Note (1): Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2022 tax year/2023 collection year. Outstanding debt for all other subdivisions includes general obligation debt only as of 12/31/22.

Note (2): See notes to the financial statements regarding the District's outstanding debt, including lease purchase obligations.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

| Fiscal Year (1) | Voted Debt Limit (2) | Total Debt Applicable to Limit (3) | Debt Service Available Balance | Net Debt Applicable to Limit | Voted Legal Debt Margin (2) | Total Net Debt Applicable to Limit as a Percentage of Debt Limit |
|------------------------|-----------------------------|---|---------------------------------------|-------------------------------------|------------------------------------|---|
| 2023 | \$ 98,374,910 | \$ 28,787,806 | \$ 3,464,828 | \$ 25,322,978 | \$ 73,051,932 | 25.74% |
| 2022 | 97,586,969 | 30,257,806 | 3,068,418 | 27,189,388 | 70,397,581 | 27.86% |
| 2021 | 83,079,904 | 32,470,000 | 3,319,439 | 29,150,561 | 53,929,343 | 35.09% |
| 2020 | 82,948,702 | 34,520,000 | 3,002,620 | 31,517,380 | 51,431,322 | 38.00% |
| 2019 | 82,316,253 | 36,540,000 | 3,488,364 | 33,051,636 | 49,264,617 | 40.15% |
| 2018 | 70,518,047 | 38,530,000 | 3,663,267 | 34,866,733 | 35,651,314 | 49.44% |
| 2017 | 70,464,224 | 42,420,000 | 4,817,152 | 37,602,848 | 32,861,376 | 53.36% |
| 2016 | 69,413,361 | 45,265,000 | 5,022,133 | 40,242,867 | 29,170,494 | 57.98% |
| 2015 | 64,270,246 | 47,980,000 | 4,063,481 | 43,916,519 | 20,353,727 | 68.33% |
| 2014 | 63,702,545 | 49,840,000 | 3,029,172 | 46,810,828 | 16,891,717 | 73.48% |

Voted Debt Limit Calculation for Fiscal Year 2023

| | |
|-----------------------------------|----------------------|
| Assessed Value | \$ 1,093,054,560 |
| Debt Limit (9% of assessed value) | X 9% |
| Voted Debt Limit | <u>\$ 98,374,910</u> |

Source: Cuyahoga County Fiscal Officer and District financial records.

Note (1): In accordance with House Bill No. 66, the assessed valuation of tangible personal property is excluded the total assessed valuation used to calculate the voted debt limit for years 2010-2011.

Note (2): Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

Note (3): Total debt excludes accreted interest on capital appreciation bonds.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

| <u>Year</u> | <u>Population (1)</u> | <u>Per Capita Personal Income (1)</u> | <u>Total Personal Income (4)</u> | <u>Median Age(1)</u> | <u>School Enrollment (2)</u> | <u>Unemployment Rates (3)</u> | | |
|-------------|-----------------------|---|--|--------------------------|----------------------------------|-------------------------------|-------------|--------------------------|
| | | | | | | <u>Cuyahoga County</u> | <u>Ohio</u> | <u>United States</u> |
| 2023 | 21,755 | \$ 60,448 | \$1,315,046,240 | 45 | 2,644 | 4.7% | 3.7% | 3.6% |
| 2022 | 21,755 | 58,477 | 1,272,167,135 | 45 | 2,683 | 6.3% | 3.9% | 3.6% |
| 2021 | 21,755 | 54,173 | 1,178,533,615 | 46 | 2,623 | 7.1% | 5.2% | 5.9% |
| 2020 | 20,213 | 51,300 | 1,036,926,900 | 46 | 2,744 | 6.6% | 10.9% | 6.7% |
| 2019 | 20,213 | 50,217 | 1,015,036,221 | 46 | 2,743 | 4.9% | 4.0% | 3.7% |
| 2018 | 20,213 | 41,207 | 832,917,091 | 46 | 2,698 | 4.7% | 4.6% | 3.7% |
| 2017 | 20,213 | 41,207 | 832,917,091 | 46 | 2,693 | 6.6% | 5.0% | 4.4% |
| 2016 | 20,213 | 41,207 | 832,917,091 | 46 | 2,749 | 5.6% | 5.0% | 4.9% |
| 2015 | 20,213 | 41,207 | 832,917,091 | 46 | 2,770 | 5.0% | 4.3% | 5.2% |
| 2014 | 20,213 | 41,207 | 832,917,091 | 46 | 2,693 | 7.9% | 5.5% | 6.1% |

Sources:

Note (1): U. S. Census Bureau - 2010 and 2020 Census

Note (2): District records

Note (3): www.economagic.com

Note (4): "population" times "per capital personal income"

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

| <u>Employer</u> | <u>December 31, 2022</u> | |
|------------------------------------|--------------------------|--|
| | <u>Employees</u> | <u>Percentage of Total City Employment per Number of Employees</u> |
| City of Rocky River | 567 | 4.43% |
| Rocky River Board of Education | 508 | 3.97% |
| Minute Men Select | 464 | 3.63% |
| Whole Foods Market Group, Inc. | 395 | 3.09% |
| Westwood Country Club Co. | 379 | 2.96% |
| Normandy Manor of Rocky River | 272 | 2.13% |
| Riser Foods Co. | 270 | 2.11% |
| Heinens Inc. | 256 | 2.00% |
| Cleveland Yacht Club Inc. | 255 | 1.99% |
| The Women's Welsh Club of America | 220 | 1.72% |
| Total | <u>3,586</u> | <u>28.03%</u> |
| Total Number of Employees (1), (2) | <u>12,792</u> | |

| <u>Employer</u> | <u>December 31, 2013</u> | |
|------------------------------------|--------------------------|--|
| | <u>Employees</u> | <u>Percentage of Total City Employment per Number of Employees</u> |
| City of Rocky River | 648 | 4.39% |
| Rocky River City School District | 550 | 3.73% |
| Giant Eagle | 265 | 1.80% |
| Westwood Country Club Co. | 259 | 1.75% |
| Cleveland Yacht Club Inc. | 242 | 1.64% |
| Heinens Inc. | 236 | 1.60% |
| Marc Glassman Inc. | 214 | 1.45% |
| Magnificat High School | 194 | 1.31% |
| Lowe's | 190 | 1.29% |
| JP Recovery | 176 | 1.19% |
| Total | <u>2,974</u> | <u>20.15%</u> |
| Total Number of Employees (1), (3) | <u>14,760</u> | |

Source: City of Rocky River; City of Cleveland - Central Collection Agency (CCA)

Note (1): Only includes employee count located within the City of Rocky River. Employment numbers for the portion of the Rocky River City School District located in the City of Fairview Park

Note (2): Source: Regional Income Tax Agency (RITA) and Central Collection Agency (CCA). Total City employment based upon the estimated number of W-2's filed with RITA in 2019 (the latest data available) and CCA in 2011.

Note (3): Total City employment based upon an estimate from the Central Collection Agency (CCA) withholding information, not based upon the number of employees.

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STAFFING STATISTICS,
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION
LAST TEN FISCAL YEARS

| Type | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Professional Staff: | | | | | | |
| Teaching Staff: | | | | | | |
| Elementary | 35.40 | 35.00 | 32.64 | 32.57 | 32.49 | 28.57 |
| Intermediate | 35.13 | 34.78 | 33.79 | 34.19 | 35.63 | 37.21 |
| Middle | 44.48 | 43.63 | 46.26 | 45.22 | 45.10 | 45.99 |
| High | 57.54 | 57.19 | 58.52 | 56.56 | 57.75 | 55.41 |
| Tutors | 21.52 | 24.39 | 24.05 | 24.74 | 22.43 | 27.52 |
| Others | | | | | | |
| Administration | 18.50 | 18.50 | 18.50 | 19.50 | 19.50 | 18.50 |
| Auxiliary Positions: | | | | | | |
| Counselors | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Speech | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Mental Health Specialists | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Occupational/Physical Therapy | 1.00 | 1.00 | 1.00 | 0.93 | 0.93 | 1.26 |
| Support Staff: | | | | | | |
| Secretarial | 24.70 | 25.70 | 26.00 | 26.70 | 27.70 | 29.70 |
| Aides | 29.56 | 29.23 | 25.25 | 28.13 | 26.13 | 26.51 |
| Learning Assistants | 1.89 | 1.89 | 1.89 | 1.89 | 1.89 | 1.89 |
| Lunch and Hall Monitors/Security | 4.30 | 4.62 | 5.07 | 4.34 | 4.34 | 5.34 |
| Cooks/Food Service | 4.88 | 4.77 | 4.52 | 4.99 | 5.05 | 4.52 |
| Custodial | 25.49 | 26.49 | 23.96 | 23.90 | 23.90 | 23.90 |
| Maintenance | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Bus Driver | 11.66 | 12.32 | 12.68 | 13.12 | 13.41 | 13.00 |
| Mechanics | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Athletic Trainer | | | | | | |
| Other Central Support | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 338.05 | 341.51 | 336.13 | 338.78 | 338.25 | 341.32 |
| Function | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Instruction: | | | | | | |
| Regular | 140.15 | 145.10 | 147.71 | 142.43 | 136.76 | 138.76 |
| Special | 73.91 | 71.02 | 71.53 | 72.79 | 71.09 | 69.24 |
| Vocational | ** | ** | ** | ** | ** | ** |
| Other | 7.46 | 8.39 | 7.64 | 6.52 | 8.98 | 10.63 |
| Support Services: | | | | | | |
| Pupil | 22.30 | 21.62 | 22.07 | 21.27 | 21.27 | 21.41 |
| Instructional staff | 7.70 | 7.70 | 8.00 | 7.70 | 7.70 | 8.70 |
| Administration | 18.50 | 19.00 | 18.00 | 20.00 | 19.50 | 19.50 |
| Fiscal | 3.00 | 3.00 | 3.00 | 4.00 | 4.00 | 5.00 |
| Business | 2.25 | 2.25 | 2.75 | 2.75 | 2.75 | 3.25 |
| Operations and maintenance | 33.74 | 33.99 | 25.21 | 32.15 | 32.90 | 32.90 |
| Pupil transportation | 18.16 | 18.92 | 19.20 | 17.68 | 20.50 | 18.97 |
| Central | 3.50 | 3.25 | 4.00 | 4.00 | 5.25 | 5.25 |
| Food Service Operations | 5.38 | 5.27 | 5.02 | 5.49 | 5.55 | 5.71 |
| Extracurricular activities | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Total | 338.05 | 341.51 | 336.13 | 338.78 | 338.25 | 341.32 |

Source: School District records.

* A portion of these services were contracted out to a third party in lieu of being provided by a staff member.

** These services were contracted out through the Lakewood City School District as part of a career technical planning district that includes the Districts of Rocky River, Lakewood, Westlake and Bay Village.

N/A - Information Not Accessible.

| 2017 | 2016 | 2015 | 2014 |
|---------------|---------------|---------------|---------------|
| 29.39 | 26.16 | 25.54 | 25.84 |
| 37.01 | 35.28 | 32.62 | 32.02 |
| 44.57 | 42.28 | 39.28 | 36.68 |
| 59.09 | 55.03 | 53.74 | 53.34 |
| 29.89 | 29.12 | 27.17 | 22.89 |
| | | 2.92 | 3.00 |
| 17.50 | 18.50 | 19.50 | 18.25 |
| 7.00 | 7.00 | 7.00 | 6.00 |
| 4.00 | 2.80 | 2.80 | 2.80 |
| 3.00 | 2.00 | 2.00 | 2.00 |
| 0.86 | 0.86 | 0.86 | 0.86 |
| 24.00 | 29.70 | 29.70 | 29.30 |
| 33.88 | 33.93 | 31.74 | 28.70 |
| 1.53 | 1.89 | 1.89 | 1.94 |
| 3.45 | 3.88 | 4.21 | 3.98 |
| 5.18 | 4.52 | 4.52 | 4.52 |
| 22.90 | 22.90 | 22.37 | 21.84 |
| 6.00 | 6.00 | 6.00 | 6.00 |
| 16.05 | 13.12 | 13.10 | 13.38 |
| 2.00 | 2.00 | 2.00 | 2.00 |
| | | * | * |
| 1.00 | 2.00 | 1.87 | 0.00 |
| 348.30 | 338.97 | 330.83 | 315.34 |

| 2017 | 2016 | 2015 | 2014 |
|---------------|---------------|---------------|---------------|
| 142.69 | 150.23 | 144.65 | 139.69 |
| 75.19 | 65.79 | 63.79 | 52.05 |
| ** | ** | ** | ** |
| 11.13 | 5.00 | 5.43 | 22.79 |
| 16.36 | 13.30 | 13.20 | 6.75 |
| 7.70 | 9.00 | 9.00 | 12.00 |
| 19.50 | 19.50 | 19.00 | 19.05 |
| 5.00 | 7.00 | 5.00 | 5.00 |
| 2.50 | 2.75 | 2.55 | 1.00 |
| 31.90 | 30.90 | 31.37 | 28.84 |
| 20.05 | 20.15 | 21.16 | 17.38 |
| 4.45 | 3.75 | 3.75 | 3.07 |
| 9.13 | 8.90 | 9.23 | 5.02 |
| 2.70 | 2.70 | 2.70 | 2.70 |
| 348.30 | 338.97 | 330.83 | 315.34 |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

| Function | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Instruction: | | | | | | |
| Regular, Special and Vocational | | | | | | |
| Enrollment (students) | 2,644 | 2,683 | 2,623 | 2,744 | 2,743 | 2,698 |
| Graduation Count | 221 | 218 | 200 | 222 | 206 | 213 |
| Graduation Rate | 100.00% | 99.50% | 99.50% | 99.50% | 98.60% | 99.10% |
| Student attendance rate | 94.50% | 94.30% | 96.40% | 96.90% | 96.20% | 94.80% |
| Support services: | | | | | | |
| Board of education | | | | | | |
| Regular meetings per year (based on calendar year) | 31 | 22 | 23 | 22 | 22 | 21 |
| Special meetings per year (based on calendar year) | 35 | 35 | 19 | 22 | 23 | 12 |
| Administration | | | | | | |
| Teacher attendance rate | 93.10% | 93.90% | 95.90% | 95.00% | 94.90% | 94.80% |
| Fiscal | | | | | | |
| Nonpayroll checks issued | 2,423 | 2,523 | 2,892 | 3,156 | 3,073 | 3,200 |
| Payroll checks/direct deposits issued | 9,478 | 10,834 | 11,444 | 9,699 | 10,416 | 10,305 |
| Operations and maintenance | | | | | | |
| Work orders completed (1) | 991 | 1,137 | 1,117 | 1,455 | 1,241 | 1,117 |
| Square footage maintained | 537,975 | 537,975 | 537,975 | 537,975 | 537,975 | 537,975 |
| Pupil transportation | | | | | | |
| Avg. students transported daily | 1,145 | 1,141 | 842 | 1,171 | 1,152 | 1,059 |
| Food service operations | | | | | | |
| Meals served to students (2) | 76,205 | 71,215 | 25,682 | 36,769 | 68,470 | 60,115 |
| Milk served to students (2) | - | - | - | 46,171 | 66,239 | 68,546 |
| Percentage of students receiving free/reduced cost meals | 9.24% | 10.51% | 9.73% | 10.48% | 11.82% | 11.93% |

Source: School District records and Ohio Department of Education.

Note (1): During fiscal year 2014, the District fully implemented a new automated work order system, so 2014 forward reflects actual totals. In addition to processing these work orders, the facilities department processes numerous routine maintenance-type jobs as well as emergency requests that would not be tracked through a formal work order.

Note (2): The District does not operate a lunch program for its two elementary buildings, but does serve milk to students in these buildings. During FY 21 and 22, the District served lunches to students in these buildings as part of the federal COVID lunch program, so milk served was not separately tracked.

| 2017 | 2016 | 2015 | 2014 |
|-------------|-------------|-------------|-------------|
| 2,693 | 2,749 | 2,770 | 2,693 |
| 214 | 221 | 209 | 223 |
| 99.00% | 99.50% | 98.50% | 99.55% |
| 96.70% | 96.90% | 96.70% | 96.80% |
| 21 | 22 | 22 | 22 |
| 15 | 6 | 6 | 6 |
| 95.10% | 95.60% | 94.95% | 95.70% |
| 3,185 | 3,516 | 3,970 | 4,225 |
| 10,378 | 10,126 | 9,813 | 10,273 |
| 1,179 | 572 | 573 | 615 |
| 537,975 | 537,975 | 537,975 | 537,095 |
| 1,101 | 1,152 | 1,193 | 1,170 |
| 63,558 | 64,460 | 64,539 | 62,605 |
| 66,938 | 66,662 | 49,221 | 43,235 |
| 10.75% | 13.28% | 13.18% | 12.95% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022 (2)</u> | <u>2021 (1)</u> | <u>2020</u> |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| Land | \$ 770,821 | \$ 770,821 | \$ 770,821 | \$ 770,821 |
| Construction in progress | 1,159,571 | - | - | 699,068 |
| Land improvements | 2,990,478 | 2,987,660 | 3,118,259 | 2,445,718 |
| Building/improvements | 38,050,165 | 40,133,108 | 42,057,424 | 43,672,251 |
| Furniture/equipment | 3,584,121 | 3,282,120 | 3,698,631 | 2,974,930 |
| Vehicles | 794,198 | 759,696 | 834,212 | 906,545 |
| Intangible right to use: | | | | |
| SBITA assets | 1,845,556 | 1,491,780 | - | - |
| Lease building | 16,654 | 29,977 | 43,300 | - |
| Lease equipment | 14,321 | 78,763 | 143,205 | - |
| Total Governmental Activities | | | | |
| Capital Assets, net | <u>\$ 49,225,885</u> | <u>\$ 49,533,925</u> | <u>\$ 50,665,852</u> | <u>\$ 51,469,333</u> |

(1) The District implemented GASB Statement No. 87 in 2022.

Amounts for 2021 have been restated to reflect the implementation of these statements.

(2) The District implemented GASB Statement No. 96 in 2023.

Amounts for 2022 have been restated to reflect the implementation of these statements.

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation/amortization.

| <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 770,821 | \$ 770,821 | \$ 770,821 | \$ 770,821 | \$ 770,821 | \$ 770,821 |
| 572,889 | 44,550 | 649,050 | - | - | - |
| 2,328,565 | 2,437,595 | 3,536,900 | 3,722,609 | 3,816,389 | 3,924,636 |
| 45,628,305 | 45,113,280 | 44,947,579 | 47,252,361 | 49,264,283 | 51,305,610 |
| 2,066,966 | 2,263,804 | 1,753,428 | 1,802,707 | 1,735,042 | 2,004,474 |
| 887,722 | 918,391 | 1,030,255 | 812,480 | 726,158 | 744,293 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 52,255,268</u> | <u>\$ 51,548,441</u> | <u>\$ 52,688,033</u> | <u>\$ 54,360,978</u> | <u>\$ 56,312,693</u> | <u>\$ 58,749,834</u> |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Goldwood Elementary (1927) | | | | | |
| Square feet | 57,150 | 57,150 | 57,150 | 57,150 | 57,150 |
| Capacity (students) | 655 | 655 | 655 | 655 | 655 |
| Enrollment | 568 | 549 | 529 | 579 | 536 |
| Kensington Intermediate (1926) | | | | | |
| Square feet | 68,980 | 68,980 | 68,980 | 68,980 | 68,980 |
| Capacity (students) | 697 | 697 | 697 | 697 | 697 |
| Enrollment | 589 | 557 | 522 | 545 | 578 |
| Rocky River Middle School (2000) | | | | | |
| Square feet | 107,000 | 107,000 | 107,000 | 107,000 | 107,000 |
| Capacity (students) | 724 | 724 | 724 | 724 | 724 |
| Enrollment | 562 | 596 | 639 | 658 | 671 |
| Rocky River High School (1950) | | | | | |
| Square feet | 247,893 | 247,893 | 247,893 | 247,893 | 247,893 |
| Capacity (students) | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| Enrollment | 844 | 888 | 887 | 876 | 876 |
| Beach Education Center (1930) | | | | | |
| Square feet | 37,780 | 37,780 | 37,780 | 37,780 | 37,780 |
| Capacity (students) | 120 | 120 | 120 | 120 | 120 |
| Enrollment | 81 | 93 | 46 | 86 | 82 |
| Wooster Road Elementary (1955) | | | | | |
| Square feet | 19,172 | 19,172 | 19,172 | 19,172 | 19,172 |
| Capacity (students) | - | 0 | 0 | 0 | 0 |
| Enrollment | ** | ** | ** | ** | ** |
| Total Square Feet | 537,975 | 537,975 | 537,975 | 537,975 | 537,975 |
| Total Capacity | 3,296 | 3,296 | 3,296 | 3,296 | 3,296 |
| Total Enrollment *** | 2,644 | 2,683 | 2,623 | 2,744 | 2,743 |

Source: School District records.

Note: Year of original construction is in parentheses. Any increases in square footage and capacity are the result of new construction, renovations and additions.

Capacity is expressed in the estimated number of students a building is equipped to handle and is subject to changes in federal, state or local standards and programming as well as modifications to physical building characteristics as needed.

** This building has not been needed for pre-kindergarten through 12 educational purposes during the last 10 years and is currently being leased to the Cleveland Clinic Health System for use as a healthcare facility.

*** Enrollment reflected here does not include students who are outplaced due to special needs.

N/A - Data Not Available or Not Applicable.

| 2018 | 2017 | 2016 | 2015 | 2014 |
|---------|---------|---------|---------|---------|
| 57,150 | 57,150 | 57,150 | 57,150 | 57,150 |
| 655 | 655 | 655 | 667 | 645 |
| 487 | 544 | 595 | 606 | 586 |
| 68,980 | 68,980 | 68,980 | 68,980 | 68,100 |
| 697 | 697 | 697 | 711 | 682 |
| 609 | 612 | 634 | 646 | 620 |
| 107,000 | 107,000 | 107,000 | 107,000 | 107,000 |
| 724 | 724 | 724 | 722 | 684 |
| 677 | 672 | 658 | 656 | 622 |
| 247,893 | 247,893 | 247,893 | 247,893 | 247,893 |
| 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| 850 | 844 | 854 | 855 | 865 |
| 37,780 | 37,780 | 37,780 | 37,780 | 37,780 |
| 120 | - | - | - | - |
| 75 | N/A | N/A | N/A | N/A |
| 19,172 | 19,172 | 19,172 | 19,172 | 19,172 |
| 0 | 0 | 0 | 0 | 0 |
| ** | ** | ** | ** | ** |
| 537,975 | 537,975 | 537,975 | 537,975 | 537,095 |
| 3,296 | 3,176 | 3,176 | 3,199 | 3,111 |
| 2,698 | 2,672 | 2,741 | 2,763 | 2,693 |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

| Fiscal Year | General Government | | Governmental Activities | | Enrollment | Percent Change |
|-------------|--------------------|----------------|-------------------------|----------------|------------|----------------|
| | Expenditures (1) | Cost per pupil | Expenses (1) | Cost per pupil | | |
| 2023 | 50,454,271 | 19,083 | 49,813,544 | 18,840 | 2,644 | -1.45% |
| 2022 | 47,360,997 | 17,652 | 45,508,919 | 16,962 | 2,683 | 2.29% |
| 2021 | 46,917,661 | 17,887 | 50,513,412 | 19,258 | 2,623 | -4.41% |
| 2020 | 46,195,673 | 16,835 | 50,055,154 | 18,242 | 2,744 | 0.04% |
| 2019 | 46,918,413 | 17,105 | 41,751,988 | 15,221 | 2,743 | 1.67% |
| 2018 | 43,583,352 | 16,154 | 25,037,574 | 9,280 | 2,698 | 0.19% |
| 2017 | 41,661,392 | 15,470 | 46,209,641 | 17,159 | 2,693 | -2.04% |
| 2016 | 40,119,070 | 14,594 | 41,529,868 | 15,107 | 2,749 | -0.76% |
| 2015 | 39,105,832 | 14,118 | 41,030,763 | 14,813 | 2,770 | 2.86% |
| 2014 | 43,602,842 | 16,191 | 40,648,072 | 15,094 | 2,693 | 2.20% |

Source: School District records.

Note (1): Debt Service totals have been excluded.

| Teaching Staff | Pupil/Teacher Ratio | Student Attendance Percentage |
|-----------------------|----------------------------|--------------------------------------|
| 186 | 14.22 | 94.50% |
| 188 | 14.27 | 94.30% |
| 190 | 13.81 | 96.40% |
| 185 | 14.83 | 96.90% |
| 188 | 14.59 | 96.20% |
| 188 | 14.35 | 94.80% |
| 188 | 14.32 | 96.70% |
| 180 | 15.27 | 96.90% |
| 171 | 16.20 | 96.70% |
| 170 | 15.84 | 96.80% |

**ROCKY RIVER CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CERTIFICATED TEACHING STAFF EDUCATION, EXPERIENCE AND AVERAGE SALARY INFORMATION
LAST TEN FISCAL YEARS

| | <u>2023</u> | | <u>2022</u> | | <u>2021</u> | | <u>2020</u> | |
|--|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| Education | | | | | | | | |
| <i>College Degree Attained (Number of Staff/% of Total)</i> | | | | | | | | |
| Bachelor's Degree | 18 | 9.68% | 19 | 10.11% | 18 | 9.47% | 13 | 7.03% |
| Bachelor's Degree + 9 hours | 5 | 2.69% | 5 | 2.66% | 7 | 3.68% | 3 | 1.62% |
| Bachelor's Degree + 18 hours | 8 | 4.30% | 11 | 5.85% | 11 | 5.79% | 12 | 6.49% |
| Master's Degree | 74 | 39.78% | 73 | 38.83% | 71 | 37.37% | 72 | 38.92% |
| Master's Degree + 9 hours | 22 | 11.83% | 21 | 11.17% | 21 | 11.05% | 22 | 11.89% |
| Master's Degree + 18 hours | 20 | 10.75% | 20 | 10.64% | 25 | 13.16% | 22 | 11.89% |
| Master's Degree + 27 hours | 15 | 8.06% | 16 | 8.51% | 15 | 7.89% | 14 | 7.57% |
| Master's Degree + 36 hours | 22 | 11.83% | 21 | 11.17% | 21 | 11.05% | 26 | 14.05% |
| PHD Ed | 2 | 1.08% | 2 | 1.06% | 1 | 0.53% | 1 | 0.54% |
| Total | 186 | 100.00% | 188 | 100.00% | 190 | 100.00% | 185 | 100.00% |
| Experience | | | | | | | | |
| <i>Range of Years' Experience (Number of Staff/% of Total)</i> | | | | | | | | |
| 0 - 5 | 11 | 5.91% | 18 | 9.57% | 17 | 8.95% | 14 | 7.57% |
| 6 - 10 | 42 | 22.58% | 43 | 22.87% | 38 | 20.00% | 28 | 15.13% |
| 11 and over | 133 | 71.51% | 127 | 67.54% | 135 | 71.04% | 143 | 77.30% |
| Total | 186 | 100.00% | 188 | 100.00% | 190 | 100.00% | 185 | 100.00% |
| Average Teacher Salary | \$89,045 | | \$83,427 | | \$86,154 | | \$85,041 | |

Source: School District Records and Ohio Department of Education.

Note: Excludes administrators, tutors and other certificated personnel that are certified teachers under Ohio law.

| 2019 | | 2018 | | 2017 | | 2016 | | 2015 | | 2014 | |
|----------|---------|----------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
| 13 | 6.91% | 11 | 5.85% | 11 | 5.85% | 15 | 8.33% | 8 | 4.68% | 9 | 5.29% |
| 3 | 1.60% | 5 | 2.66% | 8 | 4.26% | 4 | 2.22% | 4 | 2.34% | 4 | 2.35% |
| 13 | 6.91% | 12 | 6.38% | 11 | 5.85% | 10 | 5.56% | 16 | 9.36% | 15 | 8.82% |
| 70 | 37.23% | 72 | 38.30% | 72 | 38.30% | 70 | 38.88% | 61 | 35.67% | 57 | 33.53% |
| 26 | 13.83% | 23 | 12.23% | 26 | 13.83% | 28 | 15.56% | 29 | 16.96% | 30 | 17.65% |
| 25 | 13.30% | 26 | 13.83% | 26 | 13.83% | 21 | 11.67% | 20 | 11.70% | 23 | 13.53% |
| 12 | 6.38% | 16 | 8.51% | 11 | 5.85% | 10 | 5.56% | 11 | 6.43% | 8 | 4.71% |
| 26 | 13.83% | 23 | 12.23% | 23 | 12.23% | 22 | 12.22% | 22 | 12.86% | 24 | 14.12% |
| 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 188 | 100.00% | 188 | 100.00% | 188 | 100.00% | 180 | 100.00% | 171 | 100.00% | 170 | 100.00% |
| 14 | 7.45% | 21 | 11.17% | 24 | 12.77% | 24 | 13.33% | 16 | 9.36% | 18 | 10.59% |
| 37 | 19.68% | 39 | 20.74% | 41 | 21.81% | 38 | 21.11% | 38 | 22.22% | 42 | 24.71% |
| 137 | 72.87% | 128 | 68.09% | 123 | 65.43% | 118 | 65.56% | 117 | 68.42% | 110 | 64.71% |
| 188 | 100.00% | 188 | 100.00% | 188 | 100.00% | 180 | 100.00% | 171 | 100.00% | 170 | 100.00% |
| \$80,857 | | \$83,205 | | \$80,301 | | \$77,195 | | \$75,969 | | \$70,512 | |

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OHIO AUDITOR OF STATE KEITH FABER



ROCKY RIVER CITY SCHOOL DISTRICT

CUYAHOGA 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 2/6/2024

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