

**SHAKER HEIGHTS
CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**



**ANNUAL
COMPREHENSIVE FINANCIAL REPORT**

**FOR THE
FISCAL YEAR ENDED JUNE 30, 2025**



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Columbus, Ohio 43215
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Board of Education
Shaker Heights City School District
15600 Parkland Drive
Shaker Heights, Ohio 44120

We have reviewed the *Independent Auditor's Report* of Shaker Heights City School District, Cuyahoga County, prepared by Zupka & Associates, for the audit period July 1, 2024 through June 30, 2025. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

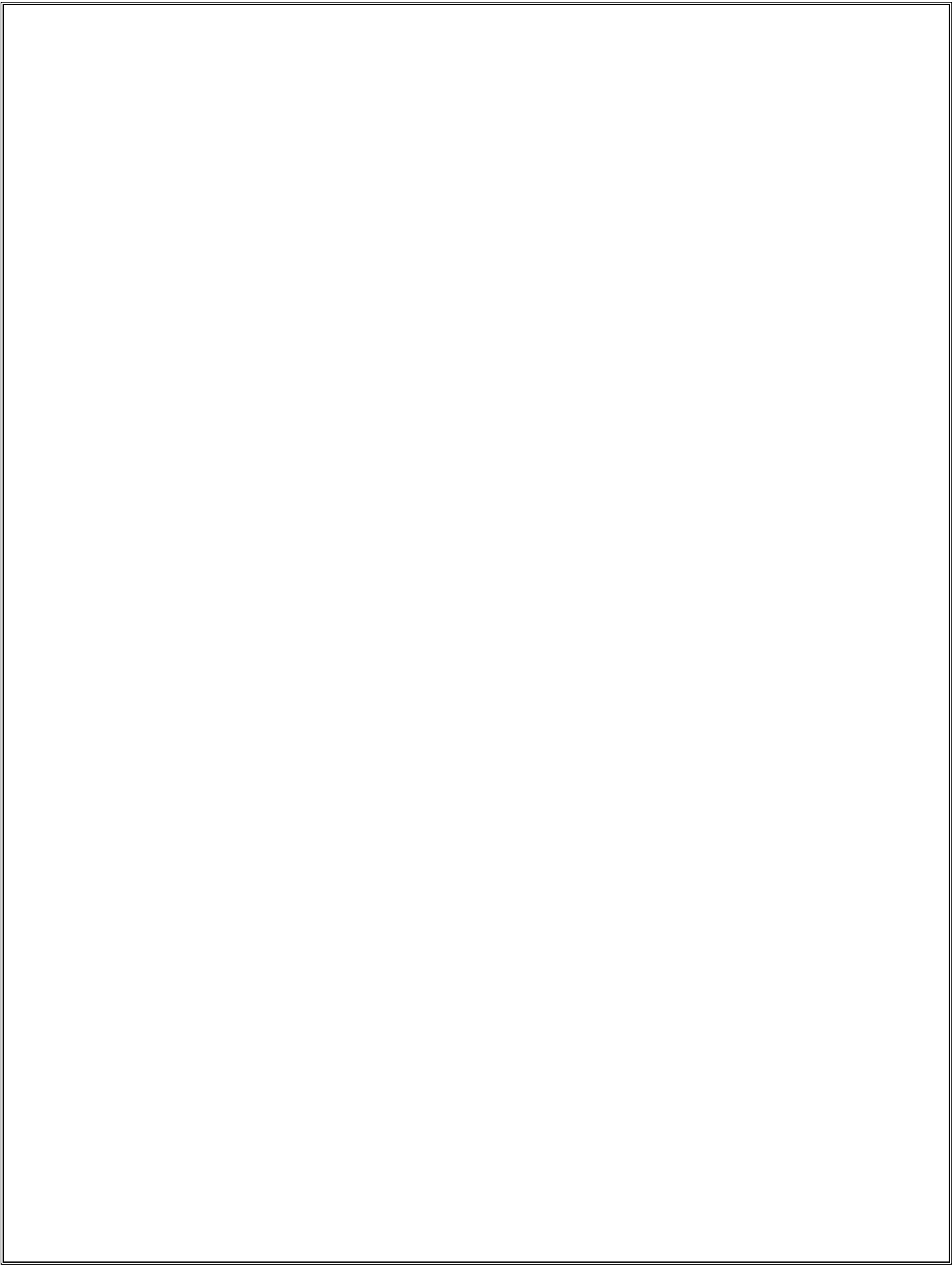
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Chief Deputy Auditor

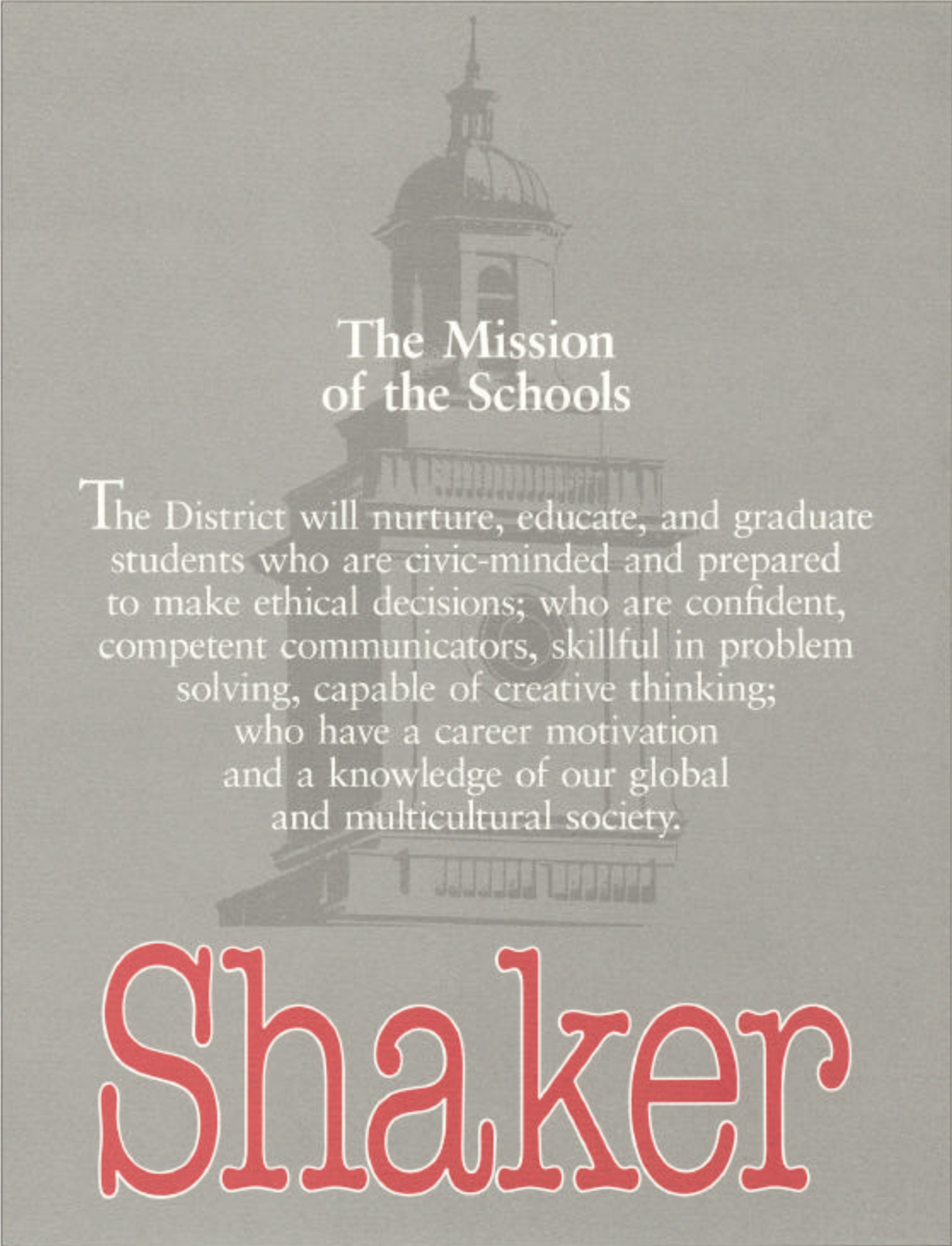
July 10, 2026

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ANNUAL
COMPREHENSIVE FINANCIAL REPORT
OF THE
SHAKER HEIGHTS
CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FOR THE
FISCAL YEAR ENDED JUNE 30, 2025

ISSUED BY
TREASURER'S OFFICE
MR. DONTÉ HAYES, TREASURER





The Mission of the Schools

The District will nurture, educate, and graduate students who are civic-minded and prepared to make ethical decisions; who are confident, competent communicators, skillful in problem solving, capable of creative thinking; who have a career motivation and a knowledge of our global and multicultural society.

Shaker

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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INTRODUCTORY SECTION

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SHAKER HEIGHTS CITY SCHOOL DISTRICT

BOARD OF EDUCATION
15600 Parkland Drive
Shaker Heights, Ohio 44120
(216) 295-1400

David Glasner, Ph.D.
Superintendent of Schools

Donté Hayes
Treasurer

April 17, 2026

Members of the Board of Education and
Residents of the Shaker Heights City School District

Dear Board Members and Residents:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Shaker Heights City School District (School District) for the fiscal year ended June 30, 2024. This ACFR enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires school districts reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of the fiscal year end.

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

Ohio law requires independent audits to be performed on all financial operations of the School District, either by the Auditor of State or an independent public accounting firm (IPA) if permitted by the Auditor of State. The IPA firm James G. Zupka, CPA, Inc. rendered an opinion on the School District's financial statements as of June 30, 2025, and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with this letter.

The Shaker Heights City School District

The Shaker schools were founded in 1912 as an independent school district. Theodore Roosevelt split the Republican Party, the Country elected Woodrow Wilson president, there was trouble below the Rio Grande with Pancho Villa, the *Titanic* sank, Ohio was adopting a new constitution - and Shaker Heights opened its first public school.

MEMBERS OF THE BOARD:
ALISON BIBB-CARSON

LORA COVER

PAMELA SCOTT

DOUGLAS WANG

HEATHER WEINGART

The “school” was in the Van Sweringen real estate office at Lee Road and Shaker Boulevard, and four teachers and 26 students constituted its population. The first school board looked ahead, planned well, worked hard and got off on the right foot. It had to, for along with the rapid construction of new homes came a tremendous growth in the school population. Today, there are nearly 4,300 students in the Shaker schools.

The little real estate office was gradually supplanted by twelve modern buildings over a 50-year period. The buildings were constructed in the following order:

- 1914 - Boulevard School**, at Drexmore and Southington Roads. *A new wing was added to this facility in 1990.*
- 1918 - Woodbury Elementary**, on South Woodland at Woodbury Road. *Originally used as the Senior High School until 1931, then renamed Woodbury Junior High. In 1985 it was converted to an upper elementary school that serves students in grades five and six.*
- 1922 - Malvern School**, at Malvern and Falmouth Roads. *Sold to the City of Shaker Heights, it now houses a private school.*
- 1922 - Sussex School**, on Sussex at Norwood Road. *Sold to the City of Shaker Heights, it serves as a center for several preschools and the Shaker Family Center, a non-profit organization serving families with young children. The School District’s Pre-K program for children with disabilities was relocated there in the fall of 1999, but then relocated to Onaway School in the fall of 2006.*
- 1923 - Onaway School**, at Onaway and Woodbury Roads. *A new classroom wing was added to this facility in 1990.*
- 1924 - Moreland School**, at Van Aken Boulevard (then known as Moreland Boulevard and Lee Road). *Sold to the City of Shaker Heights and serves as the community’s main library.*
- 1927 - Fernway School**, at Fernway and Ardmore Roads. *Fernway was completely renovated and expanded in 2020 after experiencing severe damage from a 2018 fire.*
- 1927 - Ludlow School**, at Southington and Ludlow Roads. *Ludlow will be completely renovated and become the Ludlow Early Learning Center in the fall of 2025. This is the School District’s expanded Pre-K program, which will be relocated from Onaway School.*
- 1928 - Lomond School**, on Lomond Boulevard at Strandhill and Palmerston Roads.
- 1931 - Shaker Heights High School**, on Aldersyde Drive at Onaway Road. *A new handicapped accessible front entrance and gym/music wing was added in 1999. A two-story cafeteria addition was added in 2008.*
- 1952 - Mercer School**, on Wimbledon Road off Green Road and Shaker Boulevard.
- 1957 - Shaker Heights Middle School**, on Shaker Boulevard and Warrensville Center Road, formerly known as Byron Junior High.
- 1962 - Administration Building**, on Parkland at Ashford Road.

When the Shaker schools were opened, they were organized on the 8-4 plan, with an eight-year elementary school and a four-year senior high school. As the school population grew and new buildings were constructed, the School District shifted to a 6-3-3 plan, with six-year elementary schools, a three-year junior high and a three-year high school. This plan was followed from 1931 until 1985, when Byron Junior High became Shaker Heights Middle School, housing all seventh and eighth graders. Two years later, the District again adjusted its elementary configuration in response to changing enrollment patterns. Four K–6 elementary schools were closed, and five remaining schools were converted to K–4 buildings. At that time, Woodbury was repurposed as an upper elementary school serving students in grades five and six. The High School has continued to serve all students in grades nine through twelve. Beginning in Fall 2024, the renovation of Woodbury began as part of the District’s long-term facilities plan, the grade configuration was updated to better align with current educational practices and student needs. Elementary schools transitioned to a K–5 model, while Woodbury was reestablished as a middle school serving grades six through eight.

Dr. C. A. Bowers, an early President of the Shaker Heights Board of Education, wrote the following about Shaker's proud history of educational excellence:

Conceived in a vision that was unique and, in a way, that has few parallels in American public school education, the system of Shaker Heights Schools has upheld the high purposes of the founders of the village. The early Board members caught this spirit; succeeding boards have changed it but little. The loyal support given by our superintendents, principals, teachers, and the business and maintenance staffs has created a true Shaker spirit.

That "Shaker spirit" is still very much alive today as the Shaker Heights Schools continue to demonstrate the educational excellence which has been the hallmark of their distinguished history.

The Shaker Heights City School District is one of 607 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District is the 72nd largest in student enrollment in Ohio, with an enrollment of 4,298 full time equivalent students for the 2024-2025 academic year, and projected enrollment for fiscal year 2026 of 4,150 students. The School District offers general education, special education, and vocational education academic programs. The School District covers approximately 7.5 square miles, including all of the City of Shaker Heights and a portion of the City of Cleveland in the Shaker Square area, and is located approximately ten miles southeast of downtown Cleveland.

Organizational Structure

Statutorily, the School District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer.

The Board of Education is required to adopt an annual tax budget and an annual appropriation resolution that serves as the basis for control over and authorization for all expenditures of School District tax money.

The Reporting Entity

The School District has reviewed its reporting entity definition in order to insure conformance with the 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 34*. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the School District (the primary government) and its potential component units. Excluded from the reporting entity because they are fiscally independent of the School District, are the City of Shaker Heights, the City of Cleveland, the Parent-Teacher Organization and the parochial and private schools.

The School District is associated with four organizations, the Ohio Schools' Council Association (OSC), Connect and NEOnet Information Technology Centers (ITC's), and the Shaker Heights Public Library. Connect, NEOnet and OSC are jointly-governed organizations whose relationships to the School District are described in Note 18 to the accompanying financial statements. The Shaker Heights Public Library is a related organization and is described in Note 17 to the accompanying financial statements.

A complete discussion of the School District's reporting entity is provided in Note 2 to the accompanying financial statements.

Economic Condition and Outlook

The School District serves over 28,500 residents in the City of Shaker Heights, and 3,700 for the City of Cleveland. The community is primarily residential in nature with a diverse base of residents working largely in professional capacities. The School District is a mature, fully developed inner ring suburb whose economic strength is largely dependent upon the strength of the Northeast Ohio economy.

Because Shaker Heights is home to many management employees, the stability of Cleveland's major employers -- including several Fortune 500 companies -- is important to the continued vitality of the School District. While downtown Cleveland is only twenty minutes by car, the rapid transit, a light rail public transit system, provides even more accessibility to downtown Cleveland's business community and attractions. The Greater Cleveland Regional Transit System has extended the original rapid transit rail line to serve not only downtown Cleveland and Cleveland Hopkins International Airport but also the Cleveland waterfront area including the recreational/entertainment area known as the "Flats", the Rock & Roll Hall of Fame and Museum, the Great Lakes Science Museum, Rocket Arena (fka Rocket Mortgage FieldHouse) (home of the 2016 NBA Champion Cleveland Cavaliers), Progressive Field (home of the 2022 American League Central Champs and the 2016 MLB American League Champion Cleveland Guardians (fka the Indians)) and First Energy Stadium (home of the NFL Cleveland Browns).

Further enhancing Shaker Heights' proximity and easy access to downtown Cleveland are other economic development projects in downtown Cleveland, including the JACK (formerly known as the HorseShoe) Casino, which as the first casino in Ohio, opened in May 2012; the Global Center for Health Innovation (previously referred to as the Medical Mart), and the Cleveland Convention Center, both of which celebrated their grand openings in June 2013. In all, 29 projects with more than \$3.5 billion in investment have opened in the city center since 2016 including the addition of 1,500 hotel rooms; the conversion of 1 million square feet of commercial space into about 3,300 residential units; and the addition of 350,000 square feet of office space. Some of the projects included:

- **Renovation of Public Square**-a \$50 million, 15 month renovation of the 10-acre public green space located in center city Cleveland completed in 2016. The renovation followed a trend in major American cities to link park construction with economic redevelopment goals, with the expectation of helping unleash a strong surge in residential and commercial construction in center city Cleveland.
- Construction of a new \$275 million 600-room, 32-story **Hilton Cleveland Downtown Hotel** located next to the Cleveland Convention Center, which is the first major hotel built in the city since 1991, and the largest, opened in 2016.
- Conversion of historic office buildings into the \$40 million, 180-room **Drury Hotel** and the \$50 million, 122-room Kimpton Schofield Hotel both of which opened in 2016.
- **Flats East Bank** \$395 million development project, the first phase which opened in 2014, included a 150-room Aloft Hotel; a 480,000-square-foot, 18-story office tower opened for the accounting firm founded in Cleveland, EY (Ernst & Young); restaurants; and a fitness center. The second phase, opened in 2015, is anchored by a rental apartment building with about 240 units, and ground-floor restaurants and businesses.
- Renovation/conversion of the 21-story **Standard Building** on Ontario Street, which opened in 1925, into 250 residences;
- \$22 million renovation of the 98-year-old, nearly million-square-foot **Renaissance Cleveland Hotel**, with nearly 500 rooms.
- A few blocks away is the **Metropolitan at the 9**, a \$275 million mixed-use project that converted an empty 45-year-old office building into a 155-room Marriott Metropolitan Hotel, 150 rental apartments, and retail space and restaurants; and
- Located around the corner from the Metropolitan, **Heinen's Fine Foods** in 2015 opened a 33,000-square-foot grocery store, the first such supermarket in downtown Cleveland.

The most recent economic development projects include:

- **ROCKET ARENA** (fka Rocket Mortgage Fieldhouse) **TRANSFORMATION PROJECT**-The much-needed \$185 million renovation of the 26 year-old Quicken Loans Arena (now known as Rocket Mortgage FieldHouse) was a collaborative effort between the City of Cleveland, Cuyahoga

County, and the Cleveland Cavaliers. The renovation has transformed the publicly-owned venue into a modernized world-class sports and entertainment showplace for Cleveland and the entire Northeast Ohio region. The renovations were completed and the facility opened in October 2019. The renovated FieldHouse hosted the NBA All-Star Game in February 2022.

- **THE LUMEN AT PLAYHOUSE SQUARE**-Playhouse Square construction of a new 34-story residential tower consisting of 318 apartments was completed in 2020. This project is the first in many years to replace a surface parking lot, representing the kind of development that is highly desirable in Downtown Cleveland.
- **TERMINAL TOWER**- Located next door to the Renaissance hotel is Terminal Tower, the 52-story office building that has been a signature of Cleveland's skyline since it opened in 1930, for which the middle floors were redeveloped by K&D from office space to over 300 apartments, which was completed in 2020.
- **MAY COMPANY BUILDING**-Bedrock Real Estate restored this Public Square landmark, adding 300 apartments to the Downtown market, was completed in early 2021.
- **WATERFRONT DEVELOPMENT**-Cumberland Development completed the 16 unit apartment complex, Harbor Verandas overlooking North Coast Harbor at the end of 2018, providing a glimpse of what the much larger scale Harbor View lakefront development will look like. Flats East Bank Developer Scott Wolstein's plan for the Kenect apartment complex, part of the third phase of development overlooking the Cuyahoga River, has been revised to a 229 market-rate apartment seven story building with an estimated cost of \$84.4 million, but is still in the planning phase. In May 2021, the Cleveland Browns' co-owners Jimmy and Dee Haslam announced a bold new concept for improving Cleveland's downtown lakefront to better capitalize on its proximity to Lake Erie, preliminarily estimated to cost in excess of \$229 million.
- **THE NUCLEUS**-The \$350 million mixed-use project from Stark Enterprises, which was originally to break ground in 2019, has experienced project delays (and currently on hold), will add 400,000 square feet of Class A office space, 250 dwelling units, and 80,000 square feet of retail space when fully realized.
- **THE BEACON**-Stark Enterprise has completed The Beacon, a new 29-story tower with 187 apartments that began leasing units in late 2019, was the first residential high-rise to be built in downtown Cleveland since 1974.
- **THE ATHLON AT THE CLEVELAND ATHLETIC CLUB**-The landmark Cleveland Athletic Club reopened in 2020 as a mixed-use complex with 167 apartments, 8,000 square feet of office space, 8,000 square feet of retail space, and a restored 20-meter swimming pool.
- **NASA GLENN RESEARCH CENTER**-A \$33.8 million Aerospace Communications Facility was constructed at NASA Glenn Research Center. The Communications Facility, which was completed in late 2022, will support NASA's missions to Mars and beyond.
- **CLEVELAND FOUNDATION**-The century-old organization is constructing a new headquarters and civic district on 1.2 acres in MidTown alongside the historic Dunham Tavern Museum, expected to open in early 2023. In the summer of 2022, the Foundation announced Phase II to construct an innovation district building next to their HQ which is aimed at uplifting Eastside neighborhoods.
- **SHERWIN-WILLIAMS**-The 1866-founded Cleveland paint manufacturer broke ground in October 2021, with an expected completion date by the end of 2024, on a new 1-million-square-foot headquarters building just west of Public Square in downtown. In addition, in October 2021, they broke ground for the construction of a new research and development center in Brecksville.
- **121 LARCHMERE**-Just west of the School District boundary, a \$23 million four-story 88-unit apartment complex was completed in 2021.
- **THE CITY CLUB APARTMENTS**, which will consist of 304 units in a 23-story building estimated to cost between \$85 and \$100 million and located in downtown Cleveland at 720 Euclid Avenue, is under construction after groundbreaking in December 2021.
- A \$100 million renovation & expansion of the **ROCK & ROLL HALL OF FAME AND MUSEUM** will add 50,000 square feet of programming space and a new band shell overlooking Lake Erie, is scheduled to break ground in spring 2023.

- **The Opportunity Corridor**, which opened to traffic in November 2021, is a linear project in Cleveland, Ohio, with a boulevard that connects Interstate 77 and I-490 to the University Circle neighborhood, with the stated purpose to improve the roadway network within a historically underserved, economically depressed area within the City of Cleveland and to also support planned economic development in an area known as the “Forgotten Triangle” due to the lack of economic activity.
- The 100-year-old **Cleveland Museum of Natural History** as part of its ongoing \$150 million expansion, recently gave facelifts to its courtyard, main lobby and auditorium, and is also adding a new 50,000-square-foot wing that will welcome guests with new educational opportunities and signature collection items like human ancestor, Lucy, and moon rocks upon completion in 2024.

Basketball Association Championship won by the Cleveland Cavaliers, led by LeBron James, who grew up in nearby Akron; the Major League Baseball American League Championship won by the Cleveland Guardians (fka the Indians); and the Republican National Convention held in downtown Cleveland in July. Cleveland’s opportunities to shine continued in 2021 and 2022 when other major events held in Cleveland included the NFL Draft during the last week of April 2021, the Rock and Roll Hall of Fame Induction Ceremony which was held on October 30, 2021 at the newly renovated Rocket Mortgage FieldHouse, and the NBA All-Star game which was also held at the Rocket Mortgage FieldHouse in February 2022.

Cleveland continues to emerge as one of the country’s principal centers of biomedical innovation and development, centered on the Cleveland Clinic and Case Western Reserve University. The city counts 25,000 jobs and 700 companies — 400 more than a decade ago — that are involved in health and medical research, biomedical device design, information technology and other related activities.

After decades of decline, Cleveland’s population is nearly 373,000 (2020) but is expected to rise as a result of the new developments completed or underway. The increase in apartment construction corresponds with a spurt in residents living in center city Cleveland, who now number nearly 20,000, up from 6,000 in 2002, with a target of 30,000 downtown residents by 2030.

Only five miles southeast of Shaker Heights, the Chagrin Highlands development next to Interstate 271, including the relocation from downtown Cleveland of the (previously listed Fortune 500 company) Eaton Corporation’s operational headquarters and University Hospitals’ Ahuja Medical Center, has only served to enhance Shaker Heights as an ideal residential location. Begun in July 2021 with an expected completion in 2023, UH’s \$200 million expansion of the Ahuja Medical Center, which includes a second five-floor hospital tower and a two-floor sports medicine complex, will further enhance the area development.

Another contributor to the School District’s economic strength is its proximity to the University Circle area of Cleveland. University Circle is the leading focus of employment growth in the area and home to major cultural, educational and medical facilities including Severance Hall, home of the world-renowned Cleveland Orchestra, the expanded Cleveland Museum of Art, Case Western Reserve University, and University Hospitals of Cleveland and the Cleveland Clinic, world-renowned medical research, teaching and treatment facilities and the two largest employers in Cuyahoga County. Significant numbers of Shaker Heights residents work in the medical, cultural, and educational institutions in nearby University Circle.

The Shaker Square (Square) shopping district, which lies in the Cleveland portion of the School District, was purchased and redeveloped in 2001 and 2002. The School District, in accordance with a tri-party agreement between the developer and the City of Cleveland, receives 25% of the increased property taxes resulting from the redevelopment for the 25-year abatement period. Thereafter, the School District will receive 100% of the increased property taxes. Additionally, the School District will receive 50% of the increased income taxes collected by the City of Cleveland during the 25-year abatement period for the redevelopment area. The property's financial condition languished post the 2008 Great Recession and was further exacerbated by the COVID-19 pandemic, resulting in the Square lenders commencing foreclosure proceedings in the fall of 2021. Fortunately, in October 2021 two nonprofits-the Cleveland Neighborhood Progress, along with Burten Bell Carr Development of Cleveland, reached an agreement in principle to purchase the Square, and took possession of the property in August 2022. The purchase was primarily funded by \$12 million of loans (half forgivable) from the City of Cleveland used to payoff the mortgage. The purchase by the nonprofits keeps the property under local ownership, quickly addresses maintenance concerns and launches an effort to determine the long-term direction and eventual ownership of the property.

The area of the School District is a substantially fully-developed residential community among the “inner ring” suburbs surrounding the City of Cleveland. The City of Shaker Heights, however, is aggressively pursuing new development, both commercial and residential. Through a process based on a collaborative effort of public and private community leaders, the City developed a Strategic Investment Plan that serves to advise the City on how to best leverage its limited assets to encourage appropriate private investment, and to ensure that Shaker Heights remains one of the premier communities in the country. The City has historically permitted development only pursuant to carefully developed and implemented general plans. In 2001, the City adopted a Strategic Investment Plan (SIP) which identified areas of the City for commercial and residential development and redevelopment which has resulted in numerous residential and commercial projects since the SIP was adopted.

Supplementing the SIP, in November 2010, the City adopted an Economic Development Plan that incorporated a framework of action that is designed to produce positive financial results while being judicious in the use of limited City resources. It proposed a variety of action items and policy interventions that are designed to enhance the City's level of office-oriented and business activities. The plan envisions both a strategic and tactical response that includes financial incentives to commercial property owners, and to businesses seeking to expand or locate in Shaker Heights; investments in upgrading programs and operations that address Shaker businesses and commercial properties; and aggressive marketing, branding, and business recruitment efforts. This strategy has identified key segments of the Cleveland metropolitan business community that can and will be targeted in this effort, as well as key commercial districts in Shaker Heights that will be targeted for investment and reinvestment. The recommendations of the plan significantly increase the City's ability to diversify its tax base and generate the level of density required to support the types of amenities – restaurants and retail – that the community desires.

In furtherance of the overall strategy, an update to the Economic Development Plan was approved by City Council in April 2011, which provided for two financial incentive programs to spur economic development in Shaker Heights by implementing a Forgivable Loan Program and a Shaker SEEDs Microfinance Revolving Loan Program.

The City's most significant recent project is the **Van Aken District (VAD)**. This major project spans approximately 20 acres and sits at the beginning of the Van Aken light rail connecting Shaker Heights to Terminal Tower in Downtown Cleveland. The initial step in the overall project plan included the developer purchasing and performing minor renovations to a shopping center (Shaker Plaza) just south of the new construction, to which a number of retail tenants from the 1960's center were relocated. This retail strip has also attracted new tenants to Shaker Heights, all of which will complement the new development. The development and use agreement for the VAD project, which called for a \$6.2 million contribution by the City, was approved by City Council in 2016. The former 1960's shopping center was demolished in 2016 and construction began in 2017 with initial occupancy in the summer of 2018 and full occupancy in 2019. The first phase of the VAD included 103 apartments and 60,000 square feet of office space over approximately 100,000 square feet of first floor retail, and a 350-space parking garage. The VAD redevelopment has created a gathering place for residents with unique retail shops and restaurants, high quality rental apartments, and second and third floor office space. In late August 2022, the developer RMS broke ground on Phase 2 of the VAD, a 226-unit apartment building nearly 200-foot-tall with twin-towers located on the north side of Farnsleigh Road between Van Aken Boulevard and Tuttle Road that overlooks Shaker Heights Country Club. Known as Raye Apartments, the complex began welcoming residents in late 2024. The City also approved the Phase 3 (the "Office Corner") lease agreement for the northwest corner of Warrensville Center Road and Chagrin Boulevard for the development of mixed-use office space, street-level retail and a parking structure on the City-owned commercial parcel. Phase 4, consisting of the future redevelopment of Shaker Plaza, is planned for after the completion of Phases 2 and 3.

Additional redevelopment in the area includes a new private pre-school that opened in January 2018 and a climbing gym, which broke ground in 2018 and opened in the Spring of 2019. Both of these businesses were built on property deeded to the City in-lieu-of tax foreclosure and whose buildings were demolished with County grant funds. In August 2022, the City entered into a preliminary agreement with Columbus-based Metropolitan Holdings Limited and Shaker Heights mainstay RDL Architects to develop the City-owned 2.4-acre property located at the southeast corner of Warrensville and Farnsleigh Roads that was formerly occupied by the Qua Buick-Pontiac dealership. The proposed project, estimated at \$47 million, would consist of a 141 market-rate and affordable rental unit mixed-use development, with RDL Architects planning to design the project, then move in as the office-end anchor tenant, in more than 15,000 square feet of non-residential space.

An integral part of the financing of the Van Aken redevelopment project included the granting of two tri-party Tax Increment Financing (TIF) agreements which were granted in 2016. The terms of the 30-year agreements call for a substantial portion of the taxes generated from the increased property value of the projects to be dedicated to repay certain aspects of the project financings. The School District will receive 76% (approximating its normal percentage) of the property taxes attributable to the increased value from the Shaker Plaza TIF, 18% of the property taxes attributable to the increased value from the Van Aken Plaza TIF, and 25% of the property taxes attributable to the increase value from the later phases of the Van Aken District project.

Other projects completed in accordance with the City's Economic Development Plan include:

- Construction of a new \$5 million City Fire Station in the Shaker Towne Centre area;
- Redevelopment of commercial properties in the Shaker Towne Centre complex including \$3 million of facade and other improvements;
- \$13 million of public improvements completed in early 2008 at the Shaker Towne Centre;
- Building of 16 cluster townhouses known as Sussex Courts - Phase I on the north side of Chagrin Boulevard at Farnsleigh Road;
- Building of 30 cluster townhouses known as Sussex Courts - Phase II on the south side of Chagrin Boulevard at Farnsleigh Road;
- Development of 16 new residential condominiums entitled South Park Row on vacant land in the Warwick Road area;
- Construction of a new stand-alone retail bank branch building at Shaker Towne Centre;

- Shaker Common Shops (\$3.0 million) involved the purchase and major renovation of 35,000 square feet of historic retail buildings opposite Shaker Towne Center;
- Razing of certain residential properties adjacent to the Shaker Towne Centre and the construction of a new residential project entitled Avalon Station. The project (\$12 million), which was completed in 2007, includes 51 loft condominiums and a 90-car parking garage with a landscaped roof.
- Reconstructing Lee Road, a major north-south thoroughfare, from border to border, including replacing five sewer lines;
- Replacing a mechanical traffic signalization system with a computer-coordinated system;
- Developing in conjunction with the Greater Cleveland Regional Transit Authority the transit oriented development plan (\$3.0 million) for the rapid transit station at Van Aken and Lee, completed in 2016;
- Establishing the Moreland Innovation Zone in the one-quarter-mile radius around the Chagrin-Lee intersection where residents and businesses leverage the opportunities created by high-speed fiber;
- The City received grant funds (\$688,000) to complete the Lake to Lakes multipurpose trail to connect the Shaker Lakes to Lake Erie, with our partners the cities of Cleveland and Cleveland Heights. The final leg of the trail through Shaker Heights and Cleveland Heights was completed in 2016;
- Construction along the Lee/Lomond intersection streetscape improvements, also funded with \$150,000 in grant dollars was completed in 2015;
- The City invested \$500,000 in a City-owned building that was formerly a car dealership to house the Shaker LaunchHouse (SLH), a public-private partnership that fostered entrepreneurial success and job creation. After the SLH vacated the premises, the non-profit Shaker Heights Development Corporation (SHDC) assumed that space for use as its offices and as “The Dealership”, which offers co-working space for entrepreneurs and businesses;
- The SHDC is also investing in buildings on Lee Road, having partnered with some local investors to purchase a former plant nursery which now houses a local doggie day care facility;
- The City partners with the Cuyahoga County Land Bank to demolish abandoned or sub-par vacant commercial buildings, then deeds the land to SHDC to redevelop.

In addition to commercial property development, the City is also pursuing residential development. In keeping with its aggressive pursuit of maintaining and enhancing the City’s housing stock, in late 2006 the City enacted legislation creating five new “housing only” Community Reinvestment Areas (CRA’s) with the particular objective to encourage new residential construction and significant rehabilitation. In furtherance of City goals, the City adopted the 2016 Housing and Neighborhood Plan that serves as an update to the 2001 Housing Preservation Plan. The goals of the 2016 Plan are to attract new residents, increase demand for houses, and increase property values; preserve existing high quality housing, and increase cohesiveness, desirability, attractiveness, and stability in the neighborhoods.

New and updated housing that meets the needs of Millennials and empty nesters includes a market rate for-sale townhome project constructed in the Moreland neighborhood, the Townhomes of Van Aken, which features a blend of new housing and upgraded energy-efficient housing to capitalize on the location’s proximity to transit. The Shaker Renovator Program sells houses obtained by the City through donations and foreclosures for \$1 to approved rehabbers who upgrade them and sell them to owner-occupants. The City’s partnership with the Cleveland Restoration Society’s Heritage Home Loan Program resulted in almost \$800,000 of reinvestment in 15 homes, including bathroom updates.

The Moreland Rising Project was developed to create a new market in a desirable, cohesive neighborhood. The project is a City and neighborhood-led collaboration with arts, business and development partners to explore new ways for neighbors to connect with each other, catalyze entrepreneurship along the Chagrin-Lee corridor, and encourage innovative housing designs that set the standards for years to come. The City sponsored a design competition in 2016 seeking architects and builders with innovative ideas for high quality, energy-efficient, owner-occupied housing for middle income housing to be built on City-owned vacant lots in the neighborhood. Negotiations with the teams began in 2017 for which construction was completed in late 2018.

The statewide closure of schools by Ohio Governor DeWine in mid-March 2020 resulted in significant changes in the delivery of education as well as all other services provided by the School District. Because there were minimal to no in-person activities undertaken during the spring closure through the end of the 2019-2020 school year, certain expenditures were not incurred resulting in net budget savings for Fiscal 2020. Fiscal 2021 brought on a multitude of adjustments by all staff and students to adapt to a school year that began in full remote-learning mode, followed by alternatives of in-person and/or virtual learning and teaching including a combination of synchronous and asynchronous virtual learning. As during the end of Fiscal 2020, the Fiscal 2021 year combination of full remote and/or hybrid status resulted in favorable budget variances primarily due to the reduction in certain expenditures. While the continuation of COVID-19 into Fiscal 2021 and beyond has and will require the incurrence of additional expenditures to address the learning and teaching adjustments, net of reimbursement of some of such expenditures from Federal Coronavirus Relief and ESSER/ARP funds, the remainder will be borne by the School District's General Fund. The long-term impact of COVID-19 on the School District given the need for extended learning loss programs is unknown at this time. However, despite the COVID-19 pandemic, the School District is well-positioned to prosper and thrive.

The School District has nearly recovered its post 2008 recession-related loss of \$165 million or 17.2% of the School District's property tax base, and post COVID-19 is primed to grow at an enhanced rate as a result of the commercial redevelopment undertaken by the City of Shaker Heights. These local initiatives, combined with Cleveland's economic development, provide for a stable and desirable economic condition and outlook for our School District. This favorable economic outlook combined with the unwavering community support for the School District has resulted in repeated tax levy success over the last 20 years including a capital improvement bond issue in 2004 and operating levies in 2000, 2003, 2006, 2010 and most recently a 6.9 mill levy in May 2014, all of which passed with a 58% or higher margin. And in May 2017, voters in the School District passed with a 67.8% margin a combined issue including a \$30 million bond issue and a 1.25 mill continuing permanent improvement levy to provide funding to improve and renovate school buildings throughout the School District. The School District is currently in the process of implementing a long-term facility plan that supports education equity, addresses the School District's needs, and supports student learning. See the subsection entitled "**Planning for the Future of Shaker's Facilities**" below under the **2024-2025 Major Initiatives** section.

These are the cornerstones upon which the School District's future financial outlook depends. With these resounding reinforcements from the community, the economic outlook for the School District remains favorable.

Long-Term Financial Planning

The Board of Education has adopted (as revised) three specific policies that guide both the short- and long-term financial planning as well as the annual appropriation process.

Policy DA, titled *FISCAL MANAGEMENT GOALS*, reads as follows:

The quantity and quality of learning programs are related to the funding provided and the effective, efficient management of those funds. It follows that the School District's purposes can best be achieved through prudent fiscal management.

Due to resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the Board take specific action to make certain that education remains central and that fiscal management contributes to the educational program. This concept is incorporated into Board operations and into all aspects of School District management and operation.

As trustees of the community's investment in facilities, materials and operational funds, the Board has a fiduciary responsibility to ensure that the investment is protected and used wisely. Competent personnel and efficient procedures are essential for sound management of fiscal affairs. The Board expects that the Superintendent and the Treasurer keep it informed through both oral and written reports –on the fiscal management of the School District.

With the cooperation of the Treasurer and assistance from other designated personnel, the Superintendent is expected to develop an efficient and effective procedure for fiscal accounting, purchasing and the protection of plant, grounds, materials and equipment through prudent and economical operation, maintenance and insurance.

The Board seeks to achieve the following goals to:

- 1. engage in thorough advance planning, with staff and community involvement, in order to develop budgets and to guide expenditures to achieve the greatest educational returns for the dollars expended;*
- 2. establish levels of funding that provide high quality education for the School District's students;*
- 3. use the best available techniques for budget development and management;*
- 4. provide timely and appropriate information to all staff with fiscal management responsibilities; and*
- 5. establish effective procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors and all other areas of fiscal management.*

Policy DBD, titled *BUDGET PLANNING (Five-Year Forecast)*, reads as follows:

Budget planning is an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the School District. Budget planning is a year-round process involving broad participation by administrators, teachers and other personnel throughout the School District.

The Superintendent and the Treasurer, in consultation with the Board are responsible for preparing the five-year forecast for the Board's approval. The forecast is for the current fiscal year and four years beyond.

The five-year forecast is prepared twice a year and filed with the Ohio Department of Education. The initial filing is due on or before November 30. The second filing, and update, is due by May 31. The five-year forecast is updated as often as necessary in order to communicate significant changes in the School District's financial position.

Policy DB, titled *ANNUAL BUDGET AND APPROPRIATIONS MEASURES/BUDGET MODIFICATION AUTHORITY*, reads as follows:

BUDGET

The purpose of the annual tax budget is to identify adequate financial resources for the education program and to provide a basis for accountability in fiscal management. The School District budget is also the legal basis for the establishment of tax rates.

The annual tax budget is regulated and controlled by State law and requirements of the county budget commission. The Board may establish additional budget requirements for funds at its disposal.

The Treasurer, the Superintendent and their staffs are responsible for the preparation of the annual budget and presentation of the budget to the Board for adoption.

APPROPRIATIONS

As permitted by law, at the start of the fiscal year, the Board may pass a temporary appropriations measure to provide for meeting the ordinary expenses of the School District until such time as the Board approves the annual appropriations resolution for the year, which is not later than October 1. If by October 1 the county budget commission has not certified all amended certificates of estimated resources to the Board of Education (or submitted a certification that no amended certificates are necessary), the Board can delay action on the annual appropriation measure until such time as the certificates are received.

The Treasurer files both the temporary and final appropriations measures at the proper times with the office of the County Fiscal Officer.

The Superintendent/designee notifies each school administrator and/or department head of the allocations approved for expenditure.

BUDGET MODIFICATION

Appropriations approved by the Board at the fund level may receive a line item increase as long as there is a corresponding decrease. Any increase in the amount of the appropriation measure or transfers of funds permitted by law from major fund to major fund require Board approval and may require approval from the Court of Common Pleas.

TRANSFERS AMONG CATEGORIES

It is the responsibility of the Superintendent and the Treasurer to examine the appropriations categories and make the necessary recommendations to the Board.

The Board of Education has assigned responsibility for annual and long-term financial planning to the Superintendent and Treasurer. The policies require that the first objective of financial management planning is to provide for the education of the School District's children. We are expected to use the best available techniques for budget development and management, as well as to engage in strategic, long-term financial planning which attempts to forecast the need for future educational and capital expenditures.

Currently, the Board of Education's long-term financial plan is guided by the Board-mandated edicts of restricting the School District's operating levy cycle to no more often than once every four years, at a rate below seven mills.

2024-25 Major Initiatives

Academic Achievement

The Shaker Heights City School District earned an overall rating of four stars on the annual State Report Card issued by the Ohio Department of Education & Workforce. A four-star rating indicates that the District exceeded state standards. The District met or exceeded expectations in five of the six rated components, including Gap Closing (reducing learning gaps among student subgroups), Graduation Rate, Early Literacy, Academic Achievement, and Progress. For the first time, the report card also included a sixth component - College, Career, Workforce, and Military Readiness, in which the District earned two stars. In response, the District has been actively working to expand access, participation, and student success across these pathways. Notably, this includes expanding Career and Technical Education (CTE) opportunities to middle school students and ensuring that every student has an individualized graduation plan with a clearly defined readiness goal. While the report card is only one measure of academic performance, data from the state show that Shaker Heights Schools students continue a steady rebound from dips experienced nationwide immediately after the pandemic and subsequent student learning losses. The measurements in the report card are closely aligned with the District's own Key Performance Indicators (KPIs), which were created to determine progress to intended outcomes articulated in the Five-Year Strategic Plan. The district earned its highest performance index rating in the last five years, with 51.8% of students scoring at least accelerated and beyond on grade level tests. These high achievement rates, alongside the highest graduation rate at 94.1%, in the last five years demonstrates that Shaker students are learning at increasingly high levels. Five seniors at Shaker Heights High School were named National Merit Semifinalists in the 2026 National Merit Scholarship Program. The District's group of semifinalists tied for the fourth-highest number of National Merit Semifinalists among public schools in Northeast Ohio, and the twelfth-highest in the state. More than 1.3 million juniors across 20,000 high schools entered the 2026 National Merit Scholarship Program by taking the 2024 Preliminary SAT/National Merit Scholarship Qualifying Test. The nationwide pool of semifinalists represents less than 1 percent of U.S. high school seniors. Merit Scholar designees are selected based on their skills, accomplishments, and potential for success in rigorous college studies.

Technology

The Shaker Schools' computer network serves students, teachers, and staff in a wide variety of applications for instruction and business. The District's network also supports a variety of enterprise systems such as our phone system, transportation tracking, time cards, security systems, and other business products.

The School District continues to assess and develop its cybersecurity posture through the application of the controls aligned with the NIST cybersecurity framework. In addition, During the summer of 2023, Boulevard Elementary and Mercer Elementary school classrooms were upgraded with new 75 inch interactive flat panel displays and teacher amplification systems. In addition, core network hardware upgrades took place across all District buildings.

Various tools for teachers provide data to inform instructional efforts. We provide a variety of online database resources including journals, encyclopedias, and other learning resources to support our curricula.

Business and Operations

Transportation Services

During the 2024-2025 school year, the Transportation Department successfully transported approximately 1,328 students to and from school, covering a daily distance of 4,590 miles. Additionally, the department facilitated over 2,000 academic and athletic field trips, spanning a total of over 70,000 miles throughout the year.

To enhance operational efficiency, Transportation implemented strategic measures, including the use of group and corner stops and deploying substitute bus drivers for field trips instead of contracted services. These initiatives were designed to optimize resources and streamline operations.

The Transportation Maintenance team, consisting of three (2) full-time mechanics, provided comprehensive preventative maintenance and emergency services for a fleet of 44 school buses and 23 other school district vehicles. Demonstrating exceptional diligence and expertise, the team achieved a flawless 100% passage rate on both annual and spot inspections conducted by the State of Ohio Highway Patrol.

As part of our ongoing fleet rotation plan, we have recently acquired two (2) new electric school buses, leveraging the cost-effective options available through the Ohio Schools Council (OSC) school bus procurement program as well as receiving funds from the Diesel Mitigation Trust Fund (DMTF) Grant. This prudent decision not only ensures the reliability of our transportation services but also optimizes our resource utilization. The two (2) new electric school buses were delivered during the 24/25 school year.

In alignment with our commitment to environmental responsibility, we are excited to share that Transportation has undertaken thorough research resulting in the procurement of our inaugural electric school bus. This progressive step reflects our aspiration to reduce our carbon footprint and embrace eco-friendly alternatives. Between the electric school bus that was delivered in July of 2023, and those received during the 24/25 school, the District has continued to mark a significant milestones in our pursuit of sustainable and innovative transportation solutions.

Human Resources (HR)

During the 2024-2025 school year, the human resources department continued to enhance structures that ensure services are delivered regardless of which personnel are providing the support. To achieve this, the department has continued to reorganize from within allowing for consistency and continuity of services.

The HR department is pleased to report that the Powerschool Unified Talent and Employee Records platforms are fully active and all records are now electronic, both past and present, allowing for easy access. The human resources department audited files for all certified and classified staff. Through this update, these records now have the capability to be accessed from anywhere.

The district remains committed towards attracting high quality candidates, but for the stability of our workforce, we have been laser focused on retaining the employees currently employed with our district. Recently, we closed one of our elementary school buildings, with a goal of restructuring how we utilize space and people serving in the spaces where children are educated. As the building closed, we surveyed the preferences of our employees to determine interest. This strategy supported the district in utilizing attrition to reallocate staff realigning our staffing with student enrollment.

In a continued effort to support health and wellness for our employees, the HR Department continues to host an annual Health and Benefits Fair where biometric screening, flu and covid-19 vaccines, massages, healthy meals, financial planning and raffle prizes are available.

To keep our employees up-to-date on resources available to them, the HR Department continues to motivate staff through our monthly Wellness Newsletters and an occasional fitness challenge. We also continue to provide employees access to wellness resources such as Health Advocate, Ease@Work, and gym membership discounts. Our newsletters are intended to engage employees in both understanding benefits and resources offered to all employees, but also how to access them.

Food Services

For the 2024-2025 school year, the Food Service Department experienced a profit deficit. While there was an increase in the number of families submitting free and reduced-price meal applications, reimbursement levels remained below pre-pandemic figures.

Prior to COVID-19, the district's free and reduced meal participation rate stood at 37.3%. By the end of the 2024-2025 school year, this percentage had slightly declined to 37%. Additionally, no new equipment purchases were made during the year

Buildings and Grounds Maintenance and Warehouse Operations

During the 2024-2025 school year, the Buildings and Grounds Department maintained approximately 894,000 Square Feet of building space and over 87 acres of land. This included school buildings, administrative offices, parking lots, athletic fields and facilities, one pool, gardens and landscape beds. During this time period we completed numerous projects including classroom renovations, roofing repairs and replacements, parking lot maintenance, HVAC service and repairs as well as boiler repairs and maintenance. We also completed athletic field maintenance, seasonal mowing and snow removal and supported functions at all district buildings. The average age of the district's school buildings is over 80 years old.

During the 2024-25 school year the department completed 1932 maintenance request work orders. These are completed with a combination of district staff and partnerships with local contractors.

The Service Center continues to monitor overtime and work toward accountability of all overtime hours. The Inventory control and procurement support for the School District continued on track. As we look toward the 2024-2025 school year, the department will focus on implementing best practices in facilities care. Our focus will continue to be on establishing and maintaining high standards in all areas of our facilities as well as excellence in customer service.

Safety and Security Services

The Safety and Security Department (Security) provides Safety and Security services to all 7 schools in our School District. We provide security to all school sporting events, dances, school plays. We continued to advance and raise safety awareness for students, staff and our community. In these efforts, our Security Department has incorporated Navigate 360/ALICE, SafeSchool Helpline, and Handle with Care into our safety program. We maintain a strong relationship with our Police Department and First Ring. We continue to expand the video-surveillance portion of our Security program as well. We have updated our surveillance servers and added new cameras where needed. We have electronic visitor-management systems implemented at every school building. Security also continues to monitor and adjust our building's required Emergency Operation Plan (EOP). Security also provides training to staff on EOPs, our Navigate app and now ALICE training through Navigate's e-learning safety modules. Through Navigate, we ensure each school is in compliance with all State-mandated Safety drills.

Planning for the Future of Shaker's Facilities

The School District has created a long-term facilities plan that supports education equity, addresses the School District's needs, supports student learning, and provides learning spaces and comfort to support educational equity and project-based learning. On May 22, 2023, the Shaker Heights Board of Education unanimously approved the District's long-term master facilities plan which can be viewed at <https://www.shaker.org/facilitiesplan.aspx>. The School District coordinated planning with the Ohio Facilities Construction Commission, which allowed for co-funding by the state to embark on two segments that required the passing of a ballot issue. On June 13, 2023, the Board of Education passed a resolution of necessity to place a ballot issue on the November 2023 ballot to address Segment 1 of the long-term master facilities plan. On November 7, 2023, voters approved the ballot issue providing funding necessary for Segment 1. The second segment will be a future ballot issue and will address the High School.

Segment One

- renovate primary buildings (grades K-5) Boulevard, Lomond, Mercer, and Onaway; and add an addition of 3-4 classrooms at Fernway Elementary to accommodate the 5th grade;
- renovate/demo/addition of the Middle Years Complex on the Woodbury site for grades 6, 7, and 8; and
- Abate and demolish the current 7-8 Shaker Heights Middle School building.

Segment Two

- construct a new High School for grades 9-12; and
- abate and demolish the current 9-12 High School building.

Budget

State Share:	\$47,450,445
Local Share:	\$102,658,614
Project Budget:	\$128,244,445

Current and Future Initiatives

District Strategic Plan

On March 10, 2020, the Shaker Heights Board of Education adopted the 2020-2025 Strategic Plan, which was built on the foundation of two bedrock principles: Educational Equity and the International Baccalaureate Programme. The plan was adopted after receiving input from a variety of stakeholders throughout the District. The Board believes this plan sets a strong direction that will inform District priorities and positively impact student learning for years to come. In December 2025, the District published its fifth Strategic Plan Annual Report, a document that tracks progress on meeting the plan’s goals and objectives.

Detracking and Equity Work

In furtherance of its Educational Equity objective, the District established an Office of Diversity, Equity and Inclusion. During the 2020-2021 school year the School District began to focus on integrating leveled courses across Woodbury Elementary School (Grades 5-6), Shaker Heights Middle School, and Shaker Heights High School. Historically, underrepresented students of color—typically Black and Hispanic students—were tracked into lower-level classes, which negatively impacted their educational outcomes. Removing segregated “tracks” has been shown to reduce the opportunity gap in schools by universally raising expectations and providing rigorous instruction for all learners. In order to successfully integrate courses in grades 5-12, all students must experience high-quality math and literacy instruction PreK-4. To that end, the District adopted Bridges into Mathematics conceptual curriculum that was implemented in 2021-2022 to provide a strong foundation of mathematical concepts and processes. Additionally, the District reprioritized generalized “skills support teachers” into Literacy Specialists who collaborated to co-teach literacy development in alignment with the science of reading. Literacy Specialists provide direct services to learners who are struggling as well as support the adoption of more science-based reading strategies. Professional learning for secondary teachers is focused on supporting this transition as well, particularly around Universal Design for Learning, identifying and reflecting upon biases, and enhancing differentiation practices to accommodate a wider range of learners in class. In August 2023, all faculty and staff members received two full days of professional learning focused on diversity, equity and inclusion.

The Inquiry, Innovation and Imagination (i3) Initiative

The Shaker Schools Foundation continues to grow and expand the District’s groundbreaking i3 Initiative, which reinforces the District’s goal of preparing all students to solve problems, think critically and become productive members of the global workforce. The initiative supports increased integration of design learning experiences, STEAM curriculum from Pre-K to Grade 12, and accessibility to and use of 21st century technology and tools across classrooms. To that end, Design Labs have been developed at Boulevard and Lomond elementary schools to support curricular experiences related to i3, and IB Coordinators at each elementary school are developing Design Projects to be integrated into units of inquiry for every PK-4 learner. Additional Design space has been created at Woodbury Elementary School and the High School for innovative learning experiences ranging from engineering to motorcycle repair. Additionally, the District continues to collaborate with the Shaker Schools Foundation to expand Career and Technical Education (CTE) programs. CTE students have access to more than 20 specialized courses through the Heights Consortium and can earn college credit and industry recognized credentials that prepare them for college and careers.

International Baccalaureate Programme

Shaker Heights was the first school district in Greater Cleveland, and one of only ten public districts across North America, to be recognized as a PreK-12 International Baccalaureate (IB) Continuum District. IB, an internationally recognized educational program with a rigorous curriculum, features a global focus and emphasizes creative problem-solving, hands-on projects, inquiry-based learning, and community service. The International Baccalaureate Programme is especially in demand among international families who are relocating to Cleveland to work in higher education, health care, and research. At the beginning of the 2010-2011 school year, the International Baccalaureate Diploma Programme was authorized and began with the

Junior Class. Offered as an elective course of study at the high school level, the International Baccalaureate Diploma Programme permits students to participate in a rigorous, internationally-oriented curriculum, culminating in a diploma that is recognized all over the world. As of August 2013 (and reauthorized by 2017), all five of Shaker's K-5 elementary schools have been authorized as International Baccalaureate World Schools. Though the Middle Years Programme has been fully authorized as of 2015, work continues at the middle grades to unify the instructional approaches in grades 6-12. Shaker has synchronized its 5-year accreditation cycle so that all programs conducted the self-study and evaluation process in 2021-2022. In the fall of 2022, IB representatives visited schools and met with staff as part of an 18-month evaluation process.

Awards

GFOA Certificate of Achievement - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Shaker Heights City School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. The Certificate is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ASBO Certificate - The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2024 to the Shaker Heights City School District. This award certifies that the Annual Comprehensive Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. We believe our current report, which will be submitted to ASBO for review, continues to conform to ASBO's principles and standards.

Acknowledgments

The publication of this ACFR enhances the School District's accountability to the citizens of the School District. The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's office and numerous other School District staff members. Our appreciation is also expressed to the Consulting Services Division of Julian & Grube for their assistance in preparing and reviewing this financial report.

Respectfully submitted,



Donté Hayes
Treasurer



David Glasner, Ph.D.
Superintendent of Schools

**Shaker Heights City School District
Principal Officials
June 30, 2025**

Board of Education

Ms. Lora Cover	President
Ms. Alison Bibb-Carson	Vice President
Ms. Pam Scott	Member
Mr. Doug Wang	Member
Ms. Heather Weingart	Member

Administration

Dr. David Glasner	Superintendent
Mr. Donté Hayes	Treasurer



Shaker Heights Schools

www.shaker.org

1 Shaker Heights City Schools
15600 Parkland Drive
Shaker Heights, OH 44120
216 295-1400

2 Boulevard Elementary K-4
14900 Drexmore Road
Shaker Heights, OH 44120
216 295-4020

3 Fernway Elementary K-4
17420 Fernway Road
Shaker Heights, OH 44120
216 295-4040

4 Lomond Elementary K-4
17917 Lomond Boulevard
Shaker Heights, OH 44122
216 295-4050

5 Mercer Elementary K-4
23325 Wimbledon Road
Shaker Heights, OH 44122
216 295-4070

6 Onaway Elementary K-4
3115 Woodbury Road
Shaker Heights, OH 44120
216 295-4080

7 Woodbury Elementary 5-6
15400 South Woodland Road
Shaker Heights, OH 44120
216 295-4150

8 Shaker Heights Middle School 7-8
20600 Shaker Boulevard
Shaker Heights, OH 44122
216 295-4100

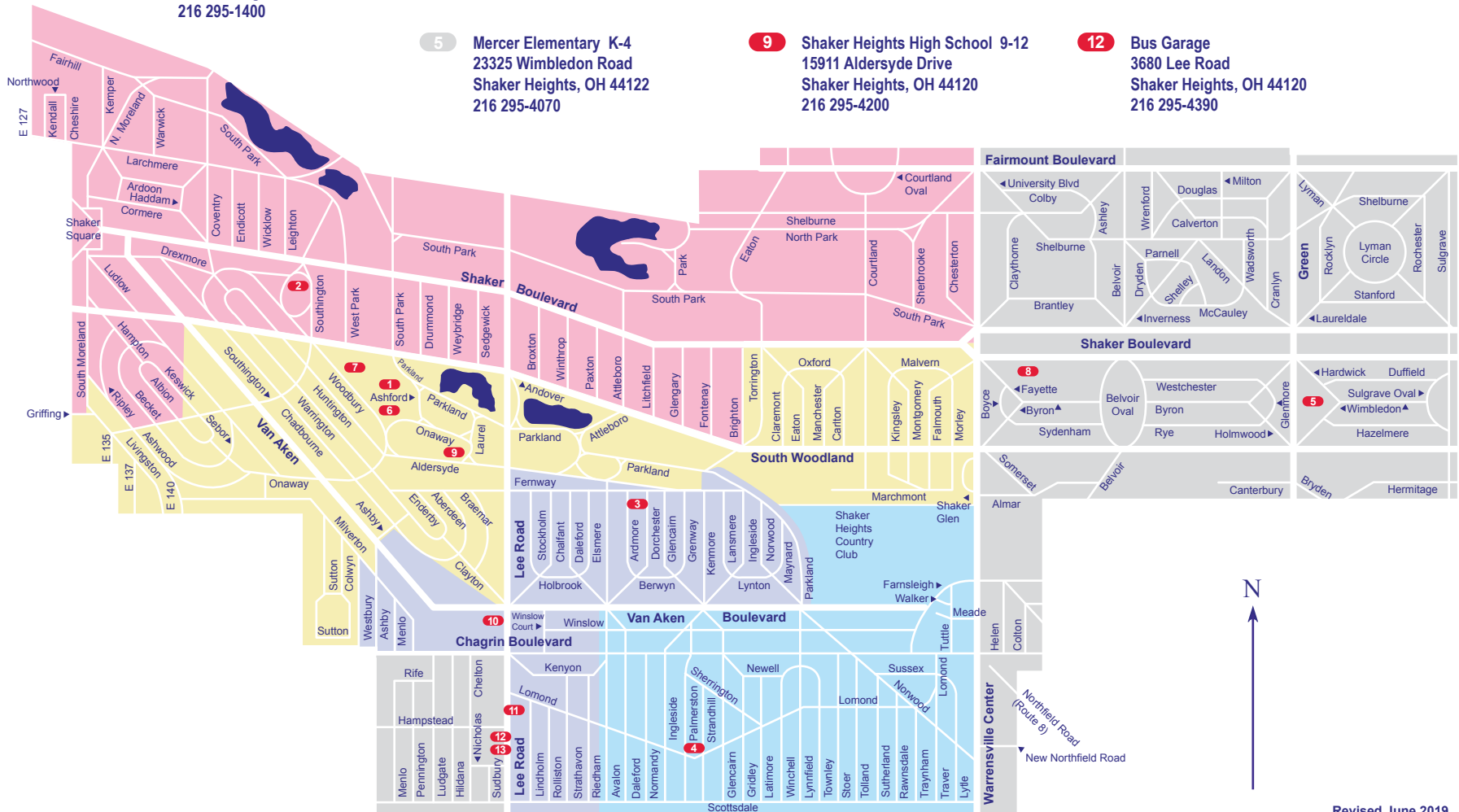
9 Shaker Heights High School 9-12
15911 Aldersyde Drive
Shaker Heights, OH 44120
216 295-4200

10 Innovation Center
3450 Lee Road
Shaker Heights, OH 44120
216 295-6275

11 Data/DLMO
3617 Lee Road
Shaker Heights, OH 44120
216 295-4844

12 Service Center
3654 Lee Road
Shaker Heights, OH 44120
216 295-4307

12 Bus Garage
3680 Lee Road
Shaker Heights, OH 44120
216 295-4390



Revised June 2019

ATTENDANCE ZONES

Shaker Heights City School District



Street	School	Street	School	Street	School	Street	School	Street	School
Aberdeen 3250-3343	Onaway	Courtland 2833-3160	Onaway	Holmwood 26650-22949	Mercer	N. Moreland 2523-2680	Boulevard	Strandhill 3573-3726	Lomond
Albion 3000-3097	Boulevard	Courtland O. 2619-2626	Boulevard	Huntington 2869-2939	Boulevard	North Park 18201-20350	Boulevard	Strathavon 3544-3728	Fernway
3112-3148	Onaway	Coventry 2555-2878	Boulevard	2998-3166	Onaway	Norwood 3270-3365	Fernway	Sudbury 3690-3741	Mercer
Aldersyde 15520-16306	Onaway	Cranlyn 2662-2749	Mercer			3450-3680	Lomond	Sulgrave 2668-2744	Mercer
16605-17450	Fernway			Ingleside 3260-3400	Fernway			Sussex 19605-20035	Lomond
Almar 20417-21411	Mercer	Daleford 3255-3397	Fernway	3430-3727	Lomond	Onaway 14149-16115	Onaway	Sutherland 3552-3726	Lomond
Ardmore 3256-3366	Fernway	3425-3727	Lomond	Inverness 2679-2767	Mercer	& 3174-3209		Sutton Place 1-30	Onaway
Ardoon 13415-13808	Boulevard	Dorchester 3255-3400	Fernway			Oxford 18801-19101	Onaway	Sutton Road 3275-3400	Onaway
Ashby 3354-3467	Fernway	Douglas 22029-22775	Mercer	Kemper 2501-2662	Boulevard			Sydenham 20600-21375	Mercer
3341	Onaway	Drexmore 13300-14817	Boulevard	Kendall 2532-2585	Boulevard	Palmerston 3518-3726	Lomond		
Ashford 3093-3121	Onaway	Drummond 2821-2951	Boulevard	Kenmore 3256-3399	Fernway	Park Drive 2701	Boulevard	Tolland 3524-3726	Lomond
Ashley 2671-2755	Mercer	Dryden 2700-2730	Mercer	Kenyon 16618-17124	Fernway	Parkland 18000-18680	Fernway	Torrington 2846-3051	Onaway
Ashwood 3026-3113	Boulevard	Duffield 23349-24235	Mercer	Keswick 2991-3082	Boulevard	15601-17916	Onaway	Townley 3519-3726	Lomond
3122-14316	Onaway			3100-3139	Onaway	Parnell 21749-22300	Mercer	Traver 3571-3726	Lomond
Attleboro 2755-2975	Boulevard	East 127th 2461, 65, 69	Boulevard	Kingsley 2886-3200	Onaway	Paxton 2820-2971	Boulevard	Traymore 2657	Boulevard
3150	Fernway	only				Pennington 3545-3750	Mercer	Traynham 3612-3726	Lomond
3021	Onaway	East 135th 3120-3149	Onaway	Landon 2680-2767	Mercer				
Avalon 3259-3396	Fernway	East 137th 3156-3228	Onaway	Lansmere 3256-3370	Fernway	Rawnsdale 3611-3726	Lomond	University 20550-20749	Mercer
3430-3727	Lomond	East 140th 3202-3246	Onaway	Larchmere 12725,	Boulevard	Riedham 3547-3728	Fernway	2650	
		E. Belvoir O. 2960-3020	Mercer	12733-14706		Rife Court if any	Mercer		
Becket 2966-3097	Boulevard	Eaton 2670-2796	Boulevard	Latimore 3544-3725	Lomond	Ripley 2952-3051	Boulevard	Van Aken 2800-2949	Boulevard
3116-3166	Onaway	2824-3030	Onaway	Laurel 3070-3175	Onaway	Rochester 2667-2737	Mercer	15500-17200	Fernway
14003-14206	Onaway	Edgerton 2658	Boulevard	Laureldale 23149-24296	Mercer	Rocklyn 2664-2742	Mercer	odd 17401-17717	Fernway
Belvoir 2661-3230	Mercer	Elsmere 3255-3369	Fernway	Lee 2812-2945	Boulevard	Rolliston 3608-3728	Fernway	even 17402-17802	Lomond
Berwyn 17426-17720	Fernway	Enderby 3252-3310	Onaway	odd 3255-3429	Fernway	Rye 21825-22732	Mercer	even 18028-20020	Lomond
Boyce 2938-2960	Mercer	Endicott 2646-2750	Boulevard	even 3074-3328	Onaway			odd 18203-18705	Fernway
Braemar 3256-3365	Onaway			Leighton 2665-2750	Boulevard	Scottsdale 17302-20330	Lomond	odd 18675-19901	Lomond
Brantley 20620-21376	Mercer	Fairhill 12700-13800	Boulevard	Lindholm 3586-3734	Fernway	16622-17130	Fernway	2994-3341	Onaway
Brighton 2841-3008	Boulevard	Fairmount 3538-20201	Boulevard	Litchfield 2848-3003	Boulevard	15516-16510	Mercer		
Broxton 2820-2979	Boulevard	20600-24150	Mercer	Livingston 3033-3231	Onaway	Sebor 2124-3161	Onaway	Wadsworth 2680-2721	Mercer
Bryden 23201-23451	Mercer	Falmouth 2841-3199	Onaway	Lomond 17300-20149	Lomond	Sedgewick 2830-2957	Boulevard	Walker 20100	Lomond
Byron 20499-22926	Mercer	Farnsleigh 20770-20975	Mercer	16614-17126	Fernway	Shaker Blvd. 13400-18450	Boulevard	Warrensville Center Road	
		Fernway 16601-17829	Fernway	Ludgate 3521-3746	Mercer	odd 18501-19713	Boulevard	even 2880-3024	Onaway
Calverton 21925-22700	Mercer	18000-18300	Fernway	Ludlow 2805-3024	Boulevard	Mercer 20649-24300	Mercer	odd 2671-3755	Mercer
Canterbury 22303-22905	Mercer	15611-16507	Onaway	3029-3193	Onaway	even 18600-20200	Onaway	even 3076-3730	Lomond
Carlton 2885-3035	Onaway	Fontenay 2842-3025	Boulevard	Lyman Blvd. 23130-24275	Mercer	Shaker Glen 1-12	Onaway	Warrington 2883-2929	Boulevard
Chadbourne 2796-2930	Boulevard			Lyman Circle 2-56	Mercer	Shelburne 18200-20301	Boulevard	2990-3323	Onaway
2976-3317	Onaway	Glencairn 3255-3395	Fernway	Lynnfield 3434-3725	Lomond	20450-24139	Mercer	Warwick 2520-2593	Boulevard
15706-16106	Onaway	3443-3726	Lomond	Lynton 18222-18520	Fernway	Shelley 2724-2736	Mercer	Washington 14504-14505	Mercer
Chagrin 16112-16114	Mercer	Glengary 2849-3025	Boulevard	Lytte 3539-3725	Lomond	Sherbrooke 2711-2781	Boulevard	Westbury 3370-3458	Fernway
17302-20013	Lomond	Glenmore 2899-2951	Mercer			Sherrington 17921-18329	Lomond	Westchester 21811-22725	Mercer
20825-20875	Mercer	Green 2662-3190	Mercer	Malvern 19751-20101	Onaway	Somers 3115-3330	Mercer	W. Belvoir O. 2935-3025	Mercer
Chalfant 3255-3396	Fernway	Grenway 3255-3369	Fernway	Manchester 2839-3031	Onaway	Southington 2690-2933	Boulevard	West Park 2616-2956	Boulevard
Chelton 3517-3742	Mercer	Gridley 3545-3726	Lomond	Marchmont 19650-20201	Onaway	13500-14215	Onaway	W. Sulgrave O. 2860-3010	Mercer
Cheshire 2531-2590	Boulevard	Griffing 13108-13204	Onaway	Maynard 3280-3365	Fernway	14475 & 3022	Onaway	Weybridge 2831-2953	Boulevard
Chesterton 2680-2791	Boulevard			McCauley 21925-22600	Mercer	S. Moreland 2804-3052	Boulevard	Weymouth 2865-2931	Boulevard
Claremont 2896-3024	Onaway	Haddam 2634-2695	Boulevard	Menlo 3434-3472	Fernway	South Park 2725-20001	Boulevard	Wicklow 2646-2750	Boulevard
Claridge O. 3774	Boulevard	Hadleigh 4180-4187	Mercer	3542-3753	Mercer	S. Woodland 13210-13804	Boulevard	Wimbledon 23200-24187	Mercer
Claythorne 2683-2765 &	Mercer	Halburton 20899-20975	Mercer	Milverton 3284-3375	Onaway	odd 14101-17355	Boulevard	Winchell 3537-3726	Lomond
20900-21520		Halworth 20676-20960	Mercer	3380-3479	Fernway	even 14100-17200	Onaway	Winslow 17304-20006	Lomond
Clayton 3315-3400	Onaway	Hampton 2843-2988	Boulevard	Montgomery 2838-3175	Onaway	odd 17405-18411	Boulevard	Winthrop 2816-2985	Boulevard
Colby 20725-21307	Mercer	Hardwick 23126-23399	Mercer	Morley 2888-3200	Onaway	even 17414-18200	Onaway	Woodbury 2846-2914	Boulevard
Colton 3412-3471	Mercer	Hazelmere 23350-24250	Mercer			18500-20201	Onaway	3004-3150	Onaway
Colwyn 3338-3397	Onaway	Helen 3401-3465	Mercer	Newell 18309-18726	Lomond	20501-24299	Mercer	2660-2680	Mercer
Corby 13507-13714	Boulevard	Hermitage 23655-24270	Mercer	Nicholas 16313-16501	Mercer	Stanford 23300-24100	Mercer		
Cormere 13302-13810	Boulevard	Hildana 3511-3742	Mercer	Normandy 3516-3727	Lomond	Stockholm 3256-3364	Fernway		
Courtland 2627-2799	Boulevard	Holbrook 16722-17010	Fernway	Northwood 12806	Boulevard	Stoer 3510-3725	Lomond		



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Shaker Heights Board of Education
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Shaker Heights City School District
for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

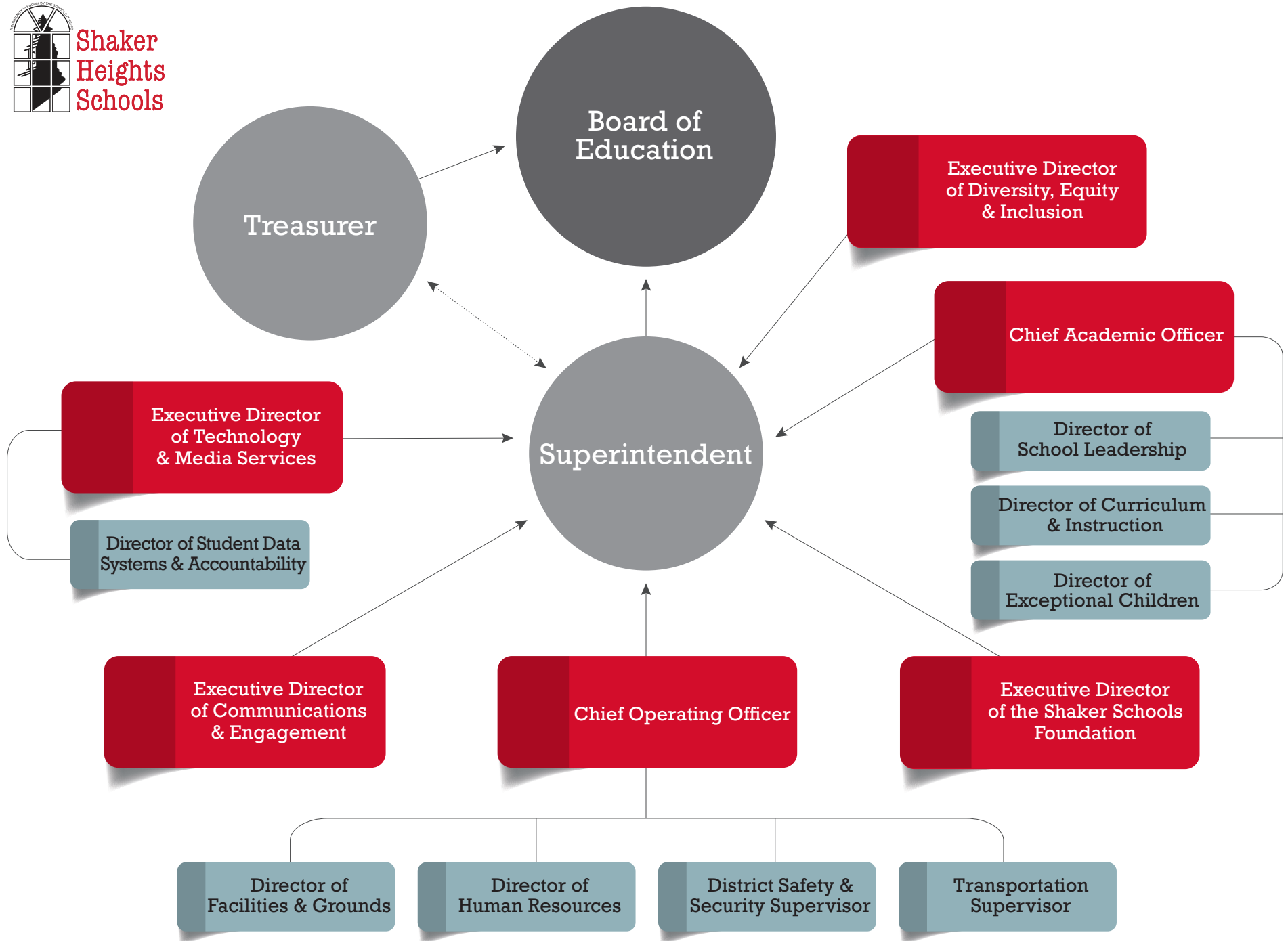
Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director



Shaker
Heights
Schools



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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Shaker Heights City School District
Cuyahoga County
15600 Parkland Drive
Shaker Heights, Ohio 44120

To the Members of the Board of Education:

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Shaker Heights City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Shaker Heights City School District as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Emphasis of Matter

As discussed in Note 3 to the basic financial statements, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, required budgetary comparison schedule, and the 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 nonmajor fund financial statements and schedules, and the entity-wide accrual statements reporting with and without GASB 68 and GASB 75 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, and the entity-wide accrual statements reporting with and without GASB 68 and GASB 75 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

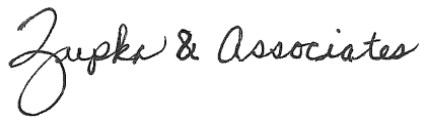
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Zupka & Associates
Certified Public Accountants

April 17, 2026

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

The management's discussion and analysis of the Shaker Heights City School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2025 are as follows:

- In total, net position of governmental activities decreased \$1,690,623 which represents a 4.62% decrease from June 30, 2024's restated net position.
- General revenues accounted for \$117,506,372 in revenue or 92.15% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$10,013,658 or 7.85% of total revenues of \$127,520,030.
- The School District had \$129,210,653 in expenses related to governmental activities; \$10,013,658 of these expenses were offset by program specific charges for services and operating grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) were not adequate to provide for these programs.
- The School District has two major funds: the general fund and classroom facilities fund. The general fund had \$106,921,530 in revenues and other financing sources and \$124,007,632 in expenditures and other financing uses. The general fund's fund balance decreased \$17,086,102 from \$58,966,693 to \$41,880,591.
- The classroom facilities fund had \$4,167,223 in revenues and other financing sources and \$882,509 in expenditures. The classroom facilities fund's fund balance increased \$3,284,714 from \$81,411,251 to \$84,695,965.

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 School 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 School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. The School District has two major funds: the general fund and classroom facilities fund.

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 School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2025?" 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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

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

In the statement of net position and the statement of activities, the governmental activities include the School District's programs and services, including instruction, support services, operation and maintenance of facilities, pupil transportation, extracurricular activities, and food service operations.

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

Most of the School 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 financial statements provide a detailed *short-term* view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the basic 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 benefits self-insurance.

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 School District's general fund budgetary schedule, net pension liability and net OPEB liability/asset.

The District as a Whole

The statement of net position provides the perspective of the School District as a whole.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

The table below provides a summary of the School District's net position at June 30, 2025 and June 30, 2024.

**Table 1
Net Position**

	Governmental Activities <u>2025</u>	Governmental Activities <u>2024</u>	<u>Change</u>
<u>Assets</u>			
Current and other assets	\$ 327,016,083	\$ 341,799,333	\$ (14,783,250)
Net OPEB asset	7,076,045	7,113,424	(37,379)
Capital assets, net	<u>88,111,778</u>	<u>75,906,817</u>	<u>12,204,961</u>
Total assets	<u>422,203,906</u>	<u>424,819,574</u>	<u>(2,615,668)</u>
<u>Deferred Outflows of Resources</u>			
Unamortized deferred loss on debt refunding	29,871	93,513	(63,642)
Pension	20,108,070	20,903,958	(795,888)
OPEB	<u>3,511,873</u>	<u>4,171,008</u>	<u>(659,135)</u>
Total deferred outflows of resources	<u>23,649,814</u>	<u>25,168,479</u>	<u>(1,518,665)</u>
<u>Liabilities</u>			
Current liabilities	22,629,443	18,219,343	4,410,100
Long-term liabilities:			
Due within one year	6,165,763	4,260,357	1,905,406
Due in more than one year:			
Net pension liability	94,556,571	103,793,466	(9,236,895)
Net OPEB liability	4,588,986	7,492,053	(2,903,067)
Other amounts	<u>186,142,558</u>	<u>159,950,189</u>	<u>26,192,369</u>
Total liabilities	<u>314,083,321</u>	<u>293,715,408</u>	<u>20,367,913</u>
<u>Deferred Inflows of Resources</u>			
Property taxes and PILOTs levied for next year	73,420,492	68,771,592	4,648,900
Pension	10,757,218	6,492,995	4,264,223
OPEB	<u>12,675,586</u>	<u>13,219,856</u>	<u>(544,270)</u>
Total deferred inflows of resources	<u>96,853,296</u>	<u>88,484,443</u>	<u>8,368,853</u>
<u>Net Position</u>			
Net investment in capital assets	52,570,652	49,743,708	2,826,944
Restricted	70,715,749	68,340,820	2,374,929
Unrestricted (deficit)	<u>(88,369,298)</u>	<u>(50,296,326)</u>	<u>(38,072,972)</u>
Total net position	<u>\$ 34,917,103</u>	<u>\$ 67,788,202</u>	<u>\$ (32,871,099)</u>

The net pension liability (NPL) is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27" and the net OPEB liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School 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 net OPEB asset.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability/asset*. 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 to equal the School 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.

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/asset. 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 School 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, 2025, the School District's assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$34,917,103.

Assets of the District decreased approximately \$2.6 million. Current and other assets decreased primarily to a decrease in equity in pooled cash and cash equivalents and intergovernmental receivable.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

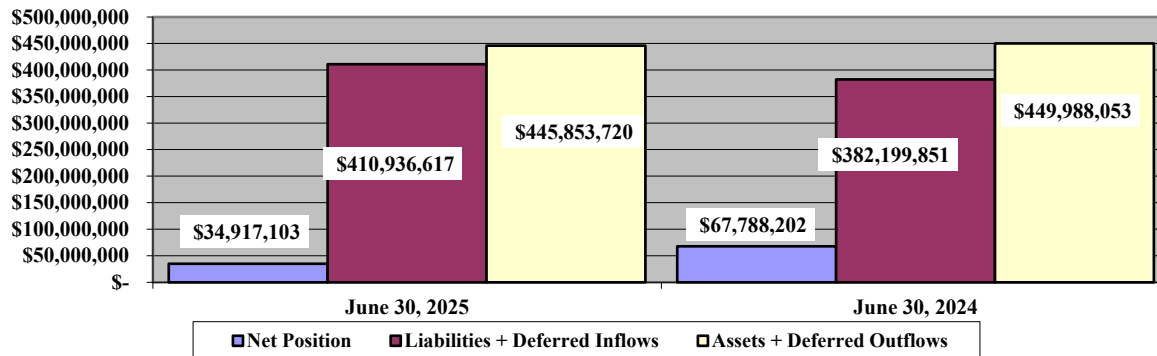
At year-end, capital assets represented 20.87% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment, vehicles and intangible right-to-use assets. Net investment in capital assets at June 30, 2025, was \$52,570,652. These capital assets are used to provide services to the students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

The liabilities of the School District increased \$20,367,913 due to the restatement of compensated absences as discussed in Note 3 and an increase in contracts payable.

A portion of the School District's net position, \$70,715,749, represents resources that are subject to external restriction on how they may be used. Of the restricted net position, \$60,917,919 is restricted for capital projects, \$7,076,045 in restricted for OPEB and \$733,610 is restricted for debt service. The remaining balance of unrestricted net position is (\$88,369,298).

The graph below shows the School District's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2025 and June 30, 2024.

Governmental Activities



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
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The table below shows the change in net position for fiscal years 2025 and 2024. The net position as of June 30, 2024, was restated as described in Note 3.

	Governmental Activities <u>2025</u>	Governmental Activities <u>2024</u>	<u>Change</u>
<u>Revenues</u>			
Program revenues:			
Charges for services and sales	\$ 3,060,670	\$ 3,246,658	\$ (185,988)
Operating grants and contributions	6,952,988	8,237,510	(1,284,522)
Capital grants and contributions	-	206,214	(206,214)
Total program revenues	<u>10,013,658</u>	<u>11,690,382</u>	<u>(1,676,724)</u>
General revenues:			
Property taxes	82,054,530	79,220,193	2,834,337
Payment in lieu of taxes	526,959	481,903	45,056
Grants and entitlements	24,296,314	23,995,617	300,697
Restricted grants	-	47,450,445	(47,450,445)
Investment earnings	10,520,692	5,870,895	4,649,797
Other	107,877	201,045	(93,168)
Total general revenues	<u>117,506,372</u>	<u>157,220,098</u>	<u>(39,713,726)</u>
Total revenues	<u>127,520,030</u>	<u>168,910,480</u>	<u>(41,390,450)</u>
<u>Expenses</u>			
Program expenses:			
Instruction:			
Regular	48,774,559	48,643,346	131,213
Special	18,648,811	17,153,352	1,495,459
Vocational	536,479	529,330	7,149
Other	973,650	602,260	371,390
Support services:			
Pupil	8,472,289	8,969,813	(497,524)
Instructional staff	5,742,071	5,777,321	(35,250)
Board of education	45,759	53,015	(7,256)
Administration	7,992,152	7,956,426	35,726
Fiscal	2,601,561	2,751,852	(150,291)
Business	1,319,351	1,096,443	222,908
Operations and maintenance	14,283,611	14,254,137	29,474
Pupil transportation	6,263,216	6,240,684	22,532
Central	2,331,910	2,383,653	(51,743)
Operations of non-instructional services:			
Food service operations	2,139,503	2,126,114	13,389
Other non-instructional services	261,320	230,003	31,317
Extracurricular activities	2,630,752	2,778,689	(147,937)
Interest	<u>6,193,659</u>	<u>3,090,878</u>	<u>3,102,781</u>
Total expenses	<u>129,210,653</u>	<u>124,637,316</u>	<u>4,573,337</u>
Change in net position	(1,690,623)	44,273,164	(45,963,787)
Net position as previously reported	67,788,202	23,515,038	44,273,164
Restatement - change in accounting principle	(31,180,476)	-	(31,180,476)
Net position at beginning of year (restated)	<u>36,607,726</u>	<u>23,515,038</u>	<u>13,092,688</u>
Net position at end of year	<u>\$ 34,917,103</u>	<u>\$ 67,788,202</u>	<u>\$ (32,871,099)</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

Governmental Activities

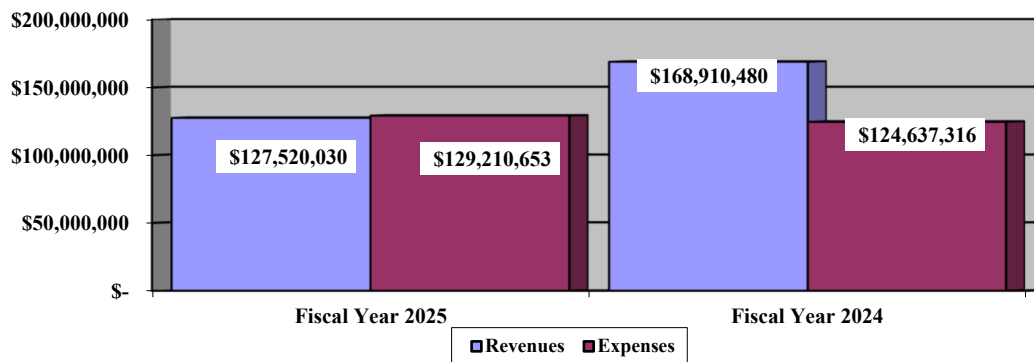
Net position of the School District's governmental activities decreased \$1,690,623. Total governmental expenses of \$129,210,653 were offset by program revenues of \$10,013,658 and general revenues of \$117,506,372. Program revenues supported 7.75% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements from the State. These revenue sources account for 83.81% of total governmental revenue. The most significant decreases were in areas of restricted grant due to an Ohio Facilities Construction Commission (OFCC) grant entered into during the previous fiscal year. The increase in investment earnings is the result of an increase in interest rates as well as having more money to invest from the debt proceeds for the building project.

Overall, expenses of the governmental activities increased approximately \$4.5 million. This increase was the result of increased spending by the School District related to salaries and benefits as well as an increase in interest paid on long-term obligations.

The graph below presents the School District's governmental activities revenue and expenses for fiscal years 2025 and 2024.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted state grants and entitlements.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

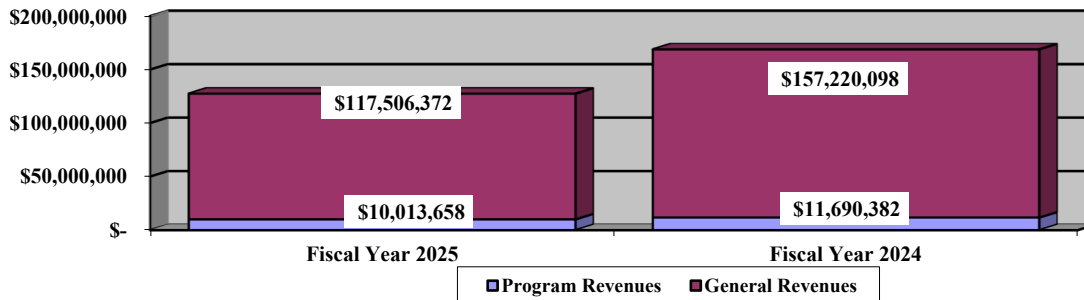
**Table 3
Governmental Activities**

	Total Cost of Services <u>2025</u>	Net Cost of Services <u>2025</u>	Total Cost of Services <u>2024</u>	Net Cost of Services <u>2024</u>
Program expenses				
Instruction:				
Regular	\$ 48,774,559	\$ 46,919,608	\$ 48,643,346	\$ 45,789,127
Special	18,648,811	15,329,792	17,153,352	13,271,314
Vocational	536,479	418,401	529,330	427,306
Other	973,650	918,658	602,260	383,675
Support services:				
Pupil	8,472,289	7,879,933	8,969,813	8,319,777
Instructional staff	5,742,071	5,737,933	5,777,321	5,647,599
Board of education	45,759	45,759	53,015	53,015
Administration	7,992,152	7,813,571	7,956,426	7,938,207
Fiscal	2,601,561	2,601,561	2,751,852	2,736,185
Business	1,319,351	1,319,351	1,096,443	1,096,443
Operations and maintenance	14,283,611	14,191,806	14,254,137	13,826,017
Pupil transportation	6,263,216	5,497,119	6,240,684	5,437,138
Central	2,331,910	2,331,910	2,383,653	2,383,653
Operations of non-instructional services:				
Food service operations	2,139,503	(89,019)	2,126,114	292,769
Other non-instructional services	261,320	30,947	230,003	29,851
Extracurricular activities	2,630,752	2,056,006	2,778,689	2,223,980
Interest	<u>6,193,659</u>	<u>6,193,659</u>	<u>3,090,878</u>	<u>3,090,878</u>
Total	<u>\$ 129,210,653</u>	<u>\$ 119,196,995</u>	<u>\$ 124,637,316</u>	<u>\$ 112,946,934</u>

The dependence upon tax and other general revenues for governmental activities is apparent as 92.24% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 92.25%. The School District's taxpayers and unrestricted grants and entitlements are the primary support for District's students.

The graph below presents the School District's governmental activities revenue for fiscal years 2025 and 2024.

Governmental Activities - General and Program Revenues



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

The School District's Funds

The School District's governmental funds reported a combined fund balance of \$172,290,955, which is lower than last year's total of \$201,945,023.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2025 and 2024.

	<u>Fund Balance June 30, 2025</u>	<u>Fund Balances, Adjusted June 30, 2024</u>	<u>Adjustment Changes in Major Funds</u>	<u>Fund Balance as Previously Reported June 30, 2024</u>	<u>Change</u>
General	\$ 41,880,591	\$ 58,966,693	\$ -	\$ 58,966,693	\$ (17,086,102)
Classroom facilities	84,695,965	81,411,251	-	81,411,251	3,284,714
Building	-	-	(37,933,839)	37,933,839	-
Other Governmental	<u>45,714,399</u>	<u>61,567,079</u>	<u>37,933,839</u>	<u>23,633,240</u>	<u>(15,852,680)</u>
Total	<u>\$ 172,290,955</u>	<u>\$ 201,945,023</u>	<u>\$ -</u>	<u>\$ 201,945,023</u>	<u>\$ (29,654,068)</u>

General Fund

During fiscal year 2025, the School District's general fund balance decreased \$17,086,102.

The table that follows assists in illustrating the financial activities of the general fund.

	<u>2025 Amount</u>	<u>2024 Amount</u>	<u>Change</u>	<u>Percentage Change</u>
<u>Revenues</u>				
Taxes	\$ 73,393,546	\$ 75,643,721	\$ (2,250,175)	(2.97) %
Tuition and fees	1,320,225	1,620,522	(300,297)	(18.53) %
Earnings on investments	4,048,596	4,598,224	(549,628)	(11.95) %
Intergovernmental	26,836,618	26,740,007	96,611	0.36 %
Other revenues	<u>935,889</u>	<u>918,948</u>	<u>16,941</u>	<u>1.84 %</u>
Total	<u>\$ 106,534,874</u>	<u>\$ 109,521,422</u>	<u>\$ (2,986,548)</u>	<u>(2.73) %</u>
<u>Expenditures</u>				
Instruction	\$ 69,021,767	\$ 64,389,204	\$ 4,632,563	7.19 %
Support services	51,116,992	49,659,535	1,457,457	2.93 %
Non-instructional services	138,375	7,700	130,675	1,697.08 %
Extracurricular activities	1,535,391	1,605,517	(70,126)	(4.37) %
Facilities acquisition and construction and capital outlay	735,259	592,297	142,962	24.14 %
Debt service	<u>444,848</u>	<u>393,313</u>	<u>51,535</u>	<u>13.10 %</u>
Total	<u>\$ 122,992,632</u>	<u>\$ 116,647,566</u>	<u>\$ 6,345,066</u>	<u>5.44 %</u>

Overall revenues of the general fund decreased \$2,986,548 or 2.73%. Earnings on investments decreased due to a decrease in interest rates earned on the School District's investments.

Expenditures increased \$6,345,066 or 5.44%. The main increase was in the areas of instruction and support services. These were the results of increased salaries and benefits paid to employees.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

General Fund Budgeting Highlights

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

During the course of fiscal year 2025, the School District amended its general fund estimated revenue budget. For the general fund, original revenues were \$101,824,068. Final revenues were \$107,558,724. Actual revenues and other financing sources of \$106,560,481 were \$998,243 lower than the final budgeted amounts and \$4,736,413 higher than the original budgeted amounts.

General fund actual expenditures of \$123,534,714 were \$520,491 higher than the original appropriations and \$2,479,509 lower than final appropriations (appropriated expenditures plus other financing uses) of \$126,014,223.

Classroom Facilities Fund

The classroom facilities fund, a new fund during fiscal year 2025, had revenues and other financing sources of \$4,167,223 and expenditures of \$882,509. This fund was established in order to account for various expenditures related to the School District's building projects.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2025, the School District had \$88,111,778 invested in land, construction in progress, land improvements, buildings and improvements, equipment, vehicles and intangible right-to-use assets. This entire amount is reported in governmental activities.

The table that follows shows June 30, 2025 balances compared to June 30, 2024.

**Table 4
Capital Assets at June 30
(Net of Depreciation/Amortization)**

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Land	\$ 943,600	\$ 943,600
Construction in progress	13,631,947	1,013,857
Land improvements	2,550,518	2,651,532
Buildings and improvements	58,440,382	60,402,838
Equipment	9,776,716	8,842,371
Vehicles	1,970,156	1,495,222
Intangible right-to-use assets	<u>798,459</u>	<u>557,397</u>
Total	<u>\$ 88,111,778</u>	<u>\$ 75,906,817</u>

The overall increase of \$12,204,961 is the result of depreciation/amortization expense of \$4,716,654 and additions of \$16,921,615. See Note 10 to the basic financial statements for detail on the District's capital assets.

Debt Administration

At June 30, 2025 the School District had \$152,385,284 in general obligation bonds, certificates of participation (COPs) leases payable, Subscription Based Information Technology Arrangements (SBITAs) payable and notes payable-finance purchases outstanding. Of this total, \$3,331,560 is due within one year and \$149,053,724 is due in more than one year.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
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(UNAUDITED)

The table below summarizes the long-term debt outstanding.

**Table 5
Outstanding Debt, at Year End**

	Governmental Activities <u>2025</u>	Governmental Activities <u>2024</u>
School Improvement Refunding Bonds - 2012	\$ 415,000	\$ 896,282
School Facilities Improvement Refunding Bonds - 2015	999,709	1,964,421
School Improvement Bonds - 2018	13,650,724	14,913,583
School Improvement Bonds - 2018	8,220,000	8,245,000
School Improvement Bonds - 2024	111,760,931	112,010,557
Certificates of Participation (COPs) - 2024	16,164,908	17,089,963
Capital Improvement & Equipment Bonds - 2012	525,000	695,000
Leases payable	329,020	6,029
SBITAs payable	319,992	399,133
Notes payable - finance purchase	<u>-</u>	<u>244</u>
Total	<u>\$ 152,385,284</u>	<u>\$ 156,220,212</u>

At June 30, 2025, the School District's overall legal debt margin was \$41,356,030 with an unvoted debt margin of \$1,255,249.

See Note 16 to the basic financial statements for detail on the School District's debt administration.

School District Outlook

The School District is impacted by national and State factors, including economic, political, and educational issues, thereby continually presenting financial challenges and opportunities to be addressed. The most recent example of an impact to the School District's finances was the onset of COVID-19 in March 2020. The statewide closure of schools by Governor DeWine in mid-March 2020 resulted in significant changes in the delivery of education as well as all other services provided by the School District. Because there were minimal to no in-person activities undertaken during the spring closure through the end of the 2019-2020 school year, certain expenditures were not incurred resulting in net budget savings for Fiscal 2020. Fiscal 2021 brought on a multitude of adjustments by all staff and students to adapt to a school year that began in full remote learning mode, followed by alternatives of in-person and/or virtual learning and teaching including a combination of synchronous and asynchronous virtual learning. Fiscal 2021 with its combination of full remote and/or hybrid status, similar to the end of Fiscal 2020, resulted in favorable budget variances primarily due to the reduction in certain expenditures. Beginning with the 2021-2022 school year, the School District returned to full in-person learning and remained so for the entire school year. While the direct impacts from COVID-19 have mostly dissipated, the impact beyond Fiscal 2022 will require the incurrence of additional expenditures to address the learning and teaching adjustments, net of reimbursement of some of such expenditures from Federal Coronavirus Relief and ESSER/ARP funds, the remainder of which will be borne by the School District's General Fund. The long-term impact of COVID-19 on the School District given the need for extended learning loss programs is unknown at this time.

Despite such negative impacts of COVID-19 and the fluctuations in the State's various funding programs during the unpredictable biennial budget cycles (including the State's COVID-19 budget reduction at the end of Fiscal 2020), the School District has continued to maintain the highest standards of service to its students, parents and community. The School District was able to do so because of its significant reliance upon its local taxpayer base as well as its constant vigil to monitor and minimize the growth of expenditures, and consequently the impact of the State's budget woes did not play as significant a role in the funding picture for the School District as it has for many districts throughout the State. While the State funding during the biennial periods since 2013 have benefited the School District, the School District continues to monitor all such factors so as to anticipate, with the objective of minimizing, any negative fallout, or maximizing any positive opportunities arising from future events.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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(UNAUDITED)**

The establishment of the Finance and Audit Committee (F&A Committee) in October 2002 by the Board of Education paved the way for a new era in the School District's financial management function. By creating the F&A Committee, the Board added an ongoing mechanism designed to provide additional financial insight and oversight to complement the School District's internal financial management. The F&A Committee consists of nine community members (two of which are Board members). The backgrounds of the members are primarily concentrated in business and financial management. The F&A Committee's charter includes the twin objectives of monitoring the financial affairs of the School District and serving as the primary contact for the School District's external financial auditors.

Because of its long history of strong community support at the ballot box, coupled with the continuous City efforts targeted toward maintaining the housing stock (thereby helping to maintain and improve the City's tax base), the School District has a strong financial outlook. The Board of Education and administration closely monitor its revenues and expenditures in accordance with its financial forecast.

Prior to fiscal year 2020, the School District had continued to show steady improvement in student achievement as measured by the 2019 State Report Card data which showed Shaker students had improved in 18 of 21 state-required academic measurements over the prior three years. Additionally, for the second consecutive year, the District had earned an "A" in the report card component that measures the percentage of students who graduate from high school in four or five years. In addition to numerous other educational relief provisions, the State's COVID-19 emergency legislation provided for the suspension of the issuance of ratings on district report cards for the 2019-2020 and the 2020-2021 school years. Additionally, for fiscal years 2022 and beyond, letter grades are replaced by a five-star rating system, including an overall star rating beginning with the fiscal year 2023 Report Card. The School District received an overall four-star rating on the 2023 Report Card. While the School District continues to work to improve its performance, it achieved a four-star rating in the Graduation component and a five-star in the Gap Closing component on the Fiscal 2024 Report Card.

Even with the impact of COVID-19, the School District maintains its unwavering commitment to its current five-year 2020-2025 Strategic Plan (located at <https://www.shaker.org/StrategicPlan.aspx>) adopted in March 2020 that was built on the foundation of two bedrock principles: Educational Equity and the International Baccalaureate Program. The Strategic Plan incorporates efforts to improve its performance with respect to the State's educational criteria while emphasizing other criteria that it believes to be critical to providing a well-rounded education. Such other criteria are highlighted in the School District's Measuring What Matters report located at <https://www.shaker.org/MeasuringWhatMatters.aspx> as well as in the District's first annual Strategic Plan Annual Report 2022/2023 report for the 2020-2025 Strategic Plan located at <https://www.shaker.org/StrategicPlan.aspx>.

The School District relies heavily on its residential property taxpayers. However, because of its favorable financial results and position, the School District has been able to avoid requesting a new operating levy for more than ten years (last operating levy in 2014).

Our community's support continues to be unwavering as demonstrated by the most recent operating levy in May of 2014, wherein a 6.9 mill levy was passed with a 61.2% margin in the wake of a national, state and local economic recession, as well as a facilities measure providing for a \$30 million bond issue and a 1.25 mill permanent improvement levy that was approved by the community with a 67.8% margin in May 2017. The continued financial support of the School District demonstrates the strong belief of parents and community members that their schools are one of the highest priorities and one of the most important public institutions in their community.

The School District has communicated to the community the extent upon which the School District relies upon their support for the major part of its operations, and will continue to work diligently to carefully monitor expenses, staying within the five-year financial plan. State law retards the growth of income generated by local levies rendering revenue relatively constant. This lack of revenue growth, however, forces the School District to come back to the voters from time to time and ask for additional financial support.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

Planning for the Future of Shaker's Facilities

Together the City of Shaker Heights, the Shaker Heights City School District, and the Shaker Heights Public Library are jointly funding and leading a process, referred to as Forward Together, to develop a Facilities Master Plan. With limited resources and high expectations, it is important to leverage and strengthen current relationships and seek new ways to collaborate creatively about the current and future state of community facilities. The community came together in 2019 with Phase One, Public Engagement Visioning and Preparation, with the goal to develop a shared vision for our facilities. Phase Two, Educational Visioning, has turned the ideas, input, and priorities gathered from the public into Phase Three, Developing a Facilities Master Plan, culminating in Phase Four, Finalizing the Recommendations and the Plan. The School District continues to engage in the facilities planning process. The Forward Together Vision Plan can be viewed at <https://forwardtogethershaker.com/>.

As part of our ongoing efforts to improve educational facilities and programs, the district initiated the process of seeking support for a 9.95 mill levy, which was successfully passed by 59% of voters in November 2023. This levy will provide the necessary funding to implement critical improvements, including the renovation of our elementary buildings and Woodbury, as well as the expansion of our Pre-K programming. These initiatives will significantly enhance the quality of education for all students.

We recognize that such decisions require careful consideration, and we are deeply grateful for the trust and confidence you have placed in our shared vision for the future of our district.

In addition to the passage of the levy, the district also accessed the municipal bond market, successfully issuing \$16.5 million in certificates of participation (COPs) to finance the school building renovation project and the expansion of Pre-K programming. This strategic financial approach ensures that we can continue making progress on these important initiatives while maintaining fiscal responsibility.

State School Funding

Although significantly less than local taxes, the State's educational funding support is nonetheless an important component of the School District's total funding picture. As has been proven time and again, such funding is subject to significant fluctuations from one biennium to the next. The evolution of school funding in Ohio has been a long and tortuous road to what appears to be the beginning of a new era. The saga of modern school funding reform began with the school funding case known as *DeRolph vs Ohio*. *DeRolph*, which became synonymous with the State-wide attempt to accomplish public school funding reform in Ohio, was initially ruled on in 1994 and upheld by the Ohio Supreme Court an unprecedented four times. The school funding reform process took many twists and turns since 1994, but in June 2021, the Ohio General Assembly adopted the Fair School Funding Plan (FSFP) in which funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process, the effects of which are to be implemented over a six-year period. The Base Cost is currently calculated for two years using a statewide average from historical actual data. However, the General Assembly did not commit to continuing beyond the new 2022-2023 biennium. The FSFP included a significant change from prior funding models wherein the State now directly funds most all scholarship transfer payments and thus such deductions no longer pass through the public Districts' funding calculations. Under the provisions of the new plan, the Shaker District would appear to receive relatively minor net increases in funding under a fully-implemented FSFP, with a portion of such funding being subject to a growing "guarantee".

While the School District has been the beneficiary of additional funding during previous biennial budget cycles, the long-term impact of the outcome of the new FSFP and other related State funding policies on the School District is unknown at this time. Consequently, all of the School District's financial abilities will be called upon to meet the challenges the future will bring. The School District's Board and management team continue to carefully, and prudently plan in order to provide the resources required to meet the future needs of its students.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Donté Hayes, Shaker Heights School District, 15600 Parkland Drive, Shaker Heights, Ohio 44120, or email at hayes_d@shaker.org.

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 188,190,697
Restricted equity in pooled cash and cash equivalents	353,070
Receivables:	
Property taxes	88,662,452
Payment in lieu of taxes	526,959
Accounts	187,570
Accrued interest	1,074,518
Intergovernmental	47,759,957
Prepayments	260,860
Net OPEB asset	7,076,045
Capital assets:	
Nondepreciable capital assets	14,575,547
Depreciable capital assets, net	73,536,231
Capital assets, net	88,111,778
Total assets	422,203,906
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	29,871
Pension	20,108,070
OPEB	3,511,873
Total deferred outflows of resources	23,649,814
Liabilities:	
Accounts payable	233,866
Contracts payable	3,797,520
Accrued wages and benefits payable	11,910,380
Compensated absences payable	204,375
Intergovernmental payable	283,985
Pension and postemployment benefits payable	1,870,382
Accrued interest payable	294,050
Unearned revenue	91,291
Claims payable	2,086,400
Payroll withholdings payable	1,857,194
Long-term liabilities:	
Due within one year	6,165,763
Due in more than one year:	
Net pension liability	94,556,571
Net OPEB liability	4,588,986
Other amounts due in more than one year	186,142,558
Total liabilities	314,083,321
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	72,893,533
Payment in lieu of taxes levied for the next fiscal year	526,959
Pension	10,757,218
OPEB	12,675,586
Total deferred inflows of resources	96,853,296
Net position:	
Net investment in capital assets	52,570,652
Restricted for:	
Capital projects	60,917,919
OPEB	7,076,045
Classroom facilities maintenance	802,516
Debt service	733,610
Food service operations	209,848
Student activities	305,730
Other purposes	670,081
Unrestricted (deficit)	(88,369,298)
Total net position	\$ 34,917,103

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 48,774,559	\$ 1,125,195	\$ 729,756	\$ (46,919,608)
Special	18,648,811	449,649	2,869,370	(15,329,792)
Vocational	536,479	35,826	82,252	(418,401)
Other	973,650	-	54,992	(918,658)
Support services:				
Pupil	8,472,289	80,442	511,914	(7,879,933)
Instructional staff	5,742,071	-	4,138	(5,737,933)
Board of education	45,759	-	-	(45,759)
Administration	7,992,152	24,723	153,858	(7,813,571)
Fiscal	2,601,561	-	-	(2,601,561)
Business	1,319,351	-	-	(1,319,351)
Operations and maintenance	14,283,611	75,256	16,549	(14,191,806)
Pupil transportation	6,263,216	1,226	764,871	(5,497,119)
Central	2,331,910	-	-	(2,331,910)
Operation of non-instructional services:				
Food service operations	2,139,503	741,078	1,487,444	89,019
Other non-instructional services	261,320	38	230,335	(30,947)
Extracurricular activities	2,630,752	527,237	47,509	(2,056,006)
Interest	6,193,659	-	-	(6,193,659)
Totals	\$ 129,210,653	\$ 3,060,670	\$ 6,952,988	(119,196,995)

General revenues:

Property taxes levied for:	
General purposes	76,202,796
Debt service	4,299,055
Capital outlay	1,067,315
Classroom facilities maintenance	485,364
Payments in lieu of taxes	526,959
Grants and entitlements not restricted to specific programs	24,296,314
Investment earnings	10,520,692
Miscellaneous	107,877
Total general revenues	117,506,372
 Change in net position	 (1,690,623)
 Net position, previously reported	 67,788,202
 Restatement - change in accounting principle	 (31,180,476)
Net position at beginning of year, restated	36,607,726
 Net position at end of year	 \$ 34,917,103

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 51,512,367	\$ 85,104,648	\$ 49,332,372	\$ 185,949,387
Receivables:				
Property taxes	81,691,864	-	6,970,588	88,662,452
Payment in lieu of taxes	526,959	-	-	526,959
Accounts	187,570	-	-	187,570
Accrued interest	417,331	485,396	171,791	1,074,518
Interfund loans	21,756	-	-	21,756
Intergovernmental	-	47,450,445	309,512	47,759,957
Prepayments	256,568	-	4,292	260,860
Due from other funds	635,209	-	-	635,209
Restricted assets:				
Equity in pooled cash and cash equivalents	353,070	-	-	353,070
Total assets	<u>\$ 135,602,694</u>	<u>\$ 133,040,489</u>	<u>\$ 56,788,555</u>	<u>\$ 325,431,738</u>
Liabilities:				
Accounts payable	\$ 221,883	\$ -	\$ 11,983	\$ 233,866
Contracts payable	-	608,034	3,189,486	3,797,520
Accrued wages and benefits payable	11,741,627	-	168,753	11,910,380
Compensated absences payable	204,375	-	-	204,375
Intergovernmental payable	281,552	-	2,433	283,985
Pension and postemployment benefits payable	1,834,135	-	36,247	1,870,382
Interfund loans payable	-	-	21,756	21,756
Due to other funds	-	-	635,209	635,209
Unearned revenue	-	-	91,291	91,291
Payroll withholdings payable	1,857,194	-	-	1,857,194
Total liabilities	<u>16,140,766</u>	<u>608,034</u>	<u>4,157,158</u>	<u>20,905,958</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	67,090,173	-	5,803,360	72,893,533
Payment in lieu of taxes levied for the next fiscal year	526,959	-	-	526,959
Delinquent property tax revenue not available	9,785,814	-	782,257	10,568,071
Intergovernmental revenue not available	-	47,450,445	212,162	47,662,607
Accrued interest not available	178,391	286,045	119,219	583,655
Total deferred inflows of resources	<u>77,581,337</u>	<u>47,736,490</u>	<u>6,916,998</u>	<u>132,234,825</u>
Fund balances:				
Nonspendable:				
Prepayments	256,568	-	4,292	260,860
Restricted:				
Debt service	-	-	10,833,672	10,833,672
Capital projects	-	84,695,965	34,102,756	118,798,721
Classroom facilities maintenance	-	-	750,404	750,404
Food service operations	-	-	209,848	209,848
Non-public schools	-	-	17	17
Extracurricular	-	-	301,438	301,438
Budget stabilization - BWC refund	353,070	-	-	353,070
Other purposes	-	-	317,011	317,011
Assigned:				
Student instruction	808,692	-	-	808,692
Student and staff support	3,169,612	-	-	3,169,612
Facilities acquisition and construction	76,430	-	-	76,430
Subsequent year's appropriations	19,087,276	-	-	19,087,276
Shaker Merchandise	27,037	-	-	27,037
Unassigned (deficit)	18,101,906	-	(805,039)	17,296,867
Total fund balances	<u>41,880,591</u>	<u>84,695,965</u>	<u>45,714,399</u>	<u>172,290,955</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 135,602,694</u>	<u>\$ 133,040,489</u>	<u>\$ 56,788,555</u>	<u>\$ 325,431,738</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2025

Total governmental fund balances		\$ 172,290,955
<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.		88,111,778
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 10,568,071	
Accrued interest receivable	583,655	
Intergovernmental receivable	47,662,607	
Total		58,814,333
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.		154,910
Unamortized premiums and discounts on bonds issued are not recognized in the funds.		
Unamortized premiums		(10,875,100)
Unamortized discounts		353,828
Unamortized amounts on refundings are not recognized in the funds.		29,871
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(294,050)
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	20,108,070	
Deferred inflows - pension	(10,757,218)	
Net pension liability	(94,556,571)	
Deferred outflows - OPEB	3,511,873	
Deferred inflows - OPEB	(12,675,586)	
Net OPEB asset	7,076,045	
Net OPEB liability	(4,588,986)	
Total		(91,882,373)
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	(125,095,000)	
Certificates of participation (COPs)	(15,595,000)	
Direct borrowings	(525,000)	
Leases payable	(329,020)	
SBITA payable	(319,992)	
Compensated absences	(39,923,037)	
Total		(181,787,049)
Net position of governmental activities		<u><u>\$ 34,917,103</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	General	Classroom Facilities	(formerly major) Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 73,393,546	\$ -		\$ 5,530,392	\$ 78,923,938
Intergovernmental	26,836,618	-		4,230,953	31,067,571
Investment earnings	4,048,596	4,091,694		2,338,849	10,479,139
Tuition and fees	1,320,225	-		1,042	1,321,267
Extracurricular	93,596	-		660,483	754,079
Rental income	75,256	-		-	75,256
Charges for services	168,738	-		741,322	910,060
Contributions and donations	12,657	-		44,379	57,036
Payment in lieu of taxes	526,959	-		-	526,959
Miscellaneous	58,683	-		75,434	134,117
Total revenues	<u>106,534,874</u>	<u>4,091,694</u>		<u>13,622,854</u>	<u>124,249,422</u>
Expenditures:					
Current:					
Instruction:					
Regular	49,280,274	-		907,820	50,188,094
Special	18,424,581	-		1,398,796	19,823,377
Vocational	530,325	-		42,861	573,186
Other	786,587	-		54,992	841,579
Support services:					
Pupil	8,780,957	-		201,587	8,982,544
Instructional staff	6,715,507	-		17,572	6,733,079
Board of education	45,993	-		-	45,993
Administration	8,443,787	-		153,858	8,597,645
Fiscal	2,594,946	51,728		83,790	2,730,464
Business	1,623,557	-		-	1,623,557
Operations and maintenance	14,009,875	-		489,363	14,499,238
Pupil transportation	6,403,336	-		600,774	7,004,110
Central	2,499,034	-		-	2,499,034
Operation of non-instructional services:					
Food service operations	-	-		2,121,855	2,121,855
Other non-instructional services	138,375	-		235,500	373,875
Extracurricular activities	1,535,391	-		997,483	2,532,874
Facilities acquisition and construction	360,786	717,296		11,588,418	12,666,500
Capital outlay	374,473	75,529		160,499	610,501
Debt service:					
Principal retirement	416,326	35,222		3,514,847	3,966,395
Interest	28,522	2,734		7,542,037	7,573,293
Total expenditures	<u>122,992,632</u>	<u>882,509</u>		<u>30,112,052</u>	<u>153,987,193</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(16,457,758)</u>	<u>3,209,185</u>		<u>(16,489,198)</u>	<u>(29,737,771)</u>
Other financing sources (uses):					
Sale of capital assets	22,683	-		61,019	83,702
Transfers in	-	-		415,000	415,000
Transfers (out)	(1,015,000)	-		-	(1,015,000)
Lease transaction	272,087	75,529		160,499	508,115
SBITA transaction	91,886	-		-	91,886
Total other financing sources (uses)	<u>(628,344)</u>	<u>75,529</u>		<u>636,518</u>	<u>83,703</u>
Net change in fund balances	(17,086,102)	3,284,714		(15,852,680)	(29,654,068)
Fund balances as previously reported	58,966,693	81,411,251	37,933,839	23,633,240	201,945,023
Adjustment - changes in major fund to nonmajor fund	-	-	(37,933,839)	37,933,839	-
Fund balances at beginning of year, as adjusted	<u>58,966,693</u>	<u>81,411,251</u>		<u>61,567,079</u>	<u>201,945,023</u>
Fund balances at end of year	<u>\$ 41,880,591</u>	<u>\$ 84,695,965</u>		<u>\$ 45,714,399</u>	<u>\$ 172,290,955</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS 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, 2025

Net change in fund balances - total governmental funds \$ (29,654,068)

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

Governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation/amortization expense.

Capital asset additions	\$ 16,921,615	
Current year depreciation/amortization	(4,716,654)	
Total		12,204,961

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

Property taxes	3,130,592	
Earnings on investments	57,003	
Intergovernmental	83,013	
Total		3,270,608

Repayment of long-term obligation principal is an expenditure
is an expenditure in the governmental funds, but the repayment reduces long-term
liabilities on the statement of net position.

3,966,395

Issuance of long-term obligations 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.

(600,001)

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 less interest being
reported in the statement of activities:

Change in accrued interest payable	974,742	
Amortization of bond/COP premiums	479,112	
Amortization of bond/COP discounts	(10,578)	
Amortization of deferred charges	(63,642)	
Total		1,379,634

Contractually required contributions are reported as expenditures in
governmental funds; however, the statement of net position reports
these amounts as deferred outflows.

Pension	10,064,321
OPEB	294,299

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	(5,887,537)
OPEB	2,456,524

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.

33,969

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.

780,272

Change in net position of governmental activities \$ (1,690,623)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2025

	Governmental Activities - Internal Service Fund
Assets:	
<i>Current assets:</i>	
Equity in pooled cash and cash equivalents	\$ 2,241,310
Total assets	<u>2,241,310</u>
Liabilities:	
<i>Current liabilities:</i>	
Claims payable	<u>2,086,400</u>
Total liabilities	<u>2,086,400</u>
Net position:	
Unrestricted	<u>154,910</u>
Total net position	<u><u>\$ 154,910</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Governmental Activities - Internal Service Fund
Operating revenues:	
Charges for services	\$ 17,855,180
Total operating revenues	<u>17,855,180</u>
Operating expenses:	
Purchased services	1,907,418
Claims	15,756,120
Other	11,370
Total operating expenses	<u>17,674,908</u>
Operating income before transfers	180,272
Transfer in	<u>600,000</u>
Change in net position	780,272
Net position (deficit) at beginning of year	<u>(625,362)</u>
Net position at end of year	<u><u>\$ 154,910</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Governmental Activities - Internal Service Fund
Cash flows from operating activities:	
Cash received from charges for services	\$ 17,855,180
Cash payments for purchased services	(1,907,418)
Cash payments for claims	(15,713,720)
Cash payments for other expenses	(11,370)
	<u>222,672</u>
Net cash provided by operating activities	<u>222,672</u>
Cash flows from noncapital financing activities:	
Cash received from transfers in	<u>600,000</u>
Net cash provided by noncapital financing activities	<u>600,000</u>
Net change in cash and cash cash equivalents	822,672
Cash and cash equivalents at beginning of year	<u>1,418,638</u>
Cash and cash equivalents at end of year	<u><u>\$ 2,241,310</u></u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 180,272
Changes in assets and liabilities:	
Claims payable	<u>42,400</u>
Net cash provided by operating activities	<u><u>\$ 222,672</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

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

The School District operates under a locally elected five-member Board form of government. Each member is elected to a four-year term. The School District provides educational services as mandated by State and federal agencies. The Board of Education controls the School District's eight instructional and four support facilities.

The School District is located in Shaker Heights, Ohio, Cuyahoga County. The School District operates five elementary schools (K-4), one elementary school (5-6), one middle school (7-8), and one high school (9-12). The School District's four support facilities include an administration building, transportation center, warehouse and maintenance vehicle garage and a media and technology services facility.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Shaker Heights City School District have been prepared in conformity with generally accepted accounting principles (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 more significant of the School District's accounting policies are described below.

A. Reporting Entity

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

Non-Public Schools Within the School District boundaries, St. Dominic is operated through the Cleveland Catholic Diocese. Also, within the School District boundaries are Hanna-Perkins, Hathaway- Brown, Laurel and University non-public schools. Current state budget legislation provides certain per pupil amounts of funding to these schools. These monies are received and disbursed on behalf of the schools by the Treasurer of the School District, as directed by the schools within state expenditure requirements. This activity is reflected in a special revenue fund and as a governmental activity of the School District. In accordance with new optional provisions beginning with the State's 2018-2019 biennial budget, Hathaway-Brown, Laurel, and beginning with the 2019-2020 school year University Schools elected to receive such funds directly from the State. They continue to employ School District employees through a third party contract agreement which is accounted for in a School District special revenue fund.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provides financial support to, the organization; (4) or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of their debt or the levying of their taxes. The School District has no component units.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

The School District is associated with a related organization and three jointly governed organizations. These organizations are the Shaker Heights Public Library, the Ohio Schools' Council Association and Connect. These organizations are presented in Notes 17 and 18 to the basic financial statements.

B. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

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

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

C. Fund Accounting

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

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

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

The following are the School District's major governmental funds:

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

Classroom Facilities fund The classroom facilities fund is used to account for monies received and expended in connections with contracts entered into by the school district and the Ohio School Facilities Commission for the building and equipping of classroom facilities.

Other governmental funds of the School District are used to account for:

Nonmajor special revenue funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Nonmajor capital projects funds - Capital projects funds are 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 and other capital assets.

Nonmajor debt service funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Fund Type Proprietary funds focus on the determination of operating income, changes in net position, financial position and cash flows and are classified as either enterprise or internal service. The School District only has internal service funds.

Internal Service Funds The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The internal service fund account for the payments, administrative costs and reserves of the School District's self-insured prescription drug coverage, the potential obligation under its contingent premium health and dental insurance plan.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into the following four classifications: pension (and other employee benefit) 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 has certain characteristics. The School District does not have any fiduciary funds.

D. Measurement Focus

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

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

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

Like the government-wide statements, the internal service funds are accounted for on a flow of economic resources 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 total net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its internal service funds activities.

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

Revenues - Exchange and 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 School District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. 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 School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On 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, student fees and rentals.

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 13 and 14 for deferred outflows of resources related to net pension liability 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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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, 2025, but which were levied to finance fiscal year 2026 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.

See Notes 13 and 14 for deferred inflows of resources related to net pension liability 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 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.

F. Budgetary Data

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the 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. The Treasurer has been given authority to allocate Board appropriations to the function and object levels within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original and final budgeted amounts in the budgetary schedule reflect the amounts in the amended certificate that was in effect at the time the original and final appropriations were passed by the Board of Education. The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues by fund. 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 fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

G. Cash and Investments

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

Investments were limited to commercial paper, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, negotiable certificates of deposit, various municipal bonds, U.S. Treasury notes, U.S. Government money market accounts and the State Treasury Asset Reserve of Ohio (STAR Ohio), the State Treasurer's Investment Pool.

Except for nonparticipating investment contracts, investments are reported at fair value. Nonparticipating investment contracts, such as repurchase agreements and nonnegotiable certificates of deposits, are reported at cost.

The School 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 School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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 2025 amounted to \$4,048,596 which includes \$1,201,619 assigned from other School District funds.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2025, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

I. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund include amounts required by State statute to be set-aside for budget stabilization. See Note 8 for additional information regarding set asides.

J. Capital Assets

All capital assets of the School District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of capital assets by backtrending (i.e., estimating the current replacement cost of the capital asset to be capitalized and using an appropriate price-level index to deflate the cost of the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their acquisition value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized. In addition, assets having an estimated useful life of more than one year that are below the capitalization threshold and not considered repair or maintenance costs are collectively capitalized on the financial statements when the aggregate of those assets are considered significant.

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 the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land Improvements	5 - 60 years
Buildings and Improvements	50 -100 years
Equipment	5 - 20 years
Vehicles	8 - 10 years
Intangible Right-to-Use Assets	
Buildings, equipment and SBITAs	3 - 5 years

The School District is reporting intangible right-to-use assets related to buildings, equipment 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 term/subscription or the useful life of the underlying asset.

K. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "due from other funds/due to other funds" and "interfund loan receivable/interfund loan payable." These amounts are eliminated in the governmental activities column of the statement of net position.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

L. Compensated Absences

The School District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences - vacation, sick leave and personal time. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The School District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The School District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the School District and, upon separation from service, the employee receives compensation in accordance with the severance policy. A liability for estimated value of sick leave that will be used by employees as time off and at separation is included in the liability for compensated absences.

Personal Time

The School District's policy permits employees to accumulate earned but unused personal time, which are eligible for payment at the employee's current pay rate upon separation from employment.

M. Pensions and Other Postemployment Benefits (OPEB)

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

N. Bonds and Certificates of Participation (COPs) Premiums and Discounts

On the government-wide financial statements, bond and COPs premiums and discounts are deferred and amortized over the term of the bonds using the bond outstanding method. Bond premiums and discounts are presented as an increase and decrease of the face amount of the bonds payable, respectively. On governmental fund statements, bond premiums and discounts are reported as an other financing source and use when received.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

O. 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 in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. 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.

P. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those 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 their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2025, there was no net position restricted by enabling legislation.

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

Q. Fund Balance

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

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

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

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

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies and authorized purchase commitments by the School District Board of Education. The Board of Education has, by resolution, authorized the Treasurer to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

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

R. Internal Activity

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

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

S. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for the self-insurance and workers' compensation programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Any revenues and expenses not meeting the definitions of operating are reported as nonoperating.

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.

U. Estimates

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

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2025, the School District has implemented GASB Statement No. 101, "Compensated Absences" and GASB Statement No. 102, "Certain Risk Disclosures".

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 102 improves financial reporting by providing users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of the School District.

B. Deficit Fund Balances

Fund balances at June 30, 2025 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Miscellaneous state grants	\$ 592,877
IDEA Part B	172,697
Title III	16,810
Title IV-A	899
IDEA Part B - Preschool	21,756

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.

C. Change within the Financial Reporting Entity

For fiscal year 2025, the School District's building fund presentation was adjusted from major to nonmajor due to no longer meeting the qualitative threshold for a major fund. This change is separately displayed in the financial statements.

D. Restatement of Net Position

During fiscal year 2025, there was a change in accounting principle related to the implementation of GASB Statement No. 101, "Compensated Absences". The effect of changing the accounting principle is to decrease net position as previously reported. This is displayed where applicable in the financial statements as "restatement - change in accounting principle".

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School 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 School District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current two 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.

Protection of the School District's 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.

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

1. United States Treasury Notes, 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, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in 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 2% 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;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days and two hundred seventy days, respectively, from the purchase date in an amount not to exceed 40% of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand - At June 30, 2025 the School District had \$550 in undeposited cash on hand, which is included as part of "Equity in Pooled Cash and Cash Equivalents."

Deposits - The carrying amount of School District deposits at June 30, 2025 was \$4,030,715. At year-end, \$4,063,020 of the School District's bank balance of \$4,313,020 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions' trust department in the School District's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party.

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

- Eligible securities pledged to the School 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
- 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 required 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.

Investments As of June 30, 2025, the School 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>						
Commercial paper	\$ 46,805,679	\$ 35,750,874	\$ 11,054,805	\$ -	\$ -	\$ -
FFCB	12,934,304	-	1,680,695	1,493,300	2,022,260	7,738,049
FHLB	13,904,949	669,337	6,766,002	1,388,079	1,908,488	3,173,043
FHLMC	2,480,030	1,983,580	-	-	-	496,450
FNMA	957,196	957,196	-	-	-	-
Municipal bonds	5,715,240	-	1,301,668	4,413,572	-	-
Negotiable CDs	13,385,610	3,942,867	2,959,732	746,091	2,238,264	3,498,656
Non-tax municipal bonds	13,970,954	9,072,778	3,944,787	953,389	-	-
U.S. Treasury notes	65,121,815	16,856,033	16,032,600	12,569,060	6,040,845	13,623,277
U.S. Government money market	3,532,759	3,532,759	-	-	-	-
<i>Amortized Cost:</i>						
STAR Ohio	5,703,966	5,703,966	-	-	-	-
Total	\$ 184,512,502	\$ 78,469,390	\$ 43,740,289	\$ 21,563,491	\$ 12,209,857	\$ 28,529,475

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The weighted average of maturity of investments is 1.14 years.

The School District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The School District's investments in commercial paper, federal agency securities (FFCB, FHLB, FHLMC, FNMA), U.S. Treasury notes, negotiable CD's and municipal bonds are valued using quoted 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).

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 School District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The School District's investments in federal agency securities and U.S. Treasury notes were rated AA+ and Aa1 by Standard & Poor's and Moody's Investor Services, respectively. The municipal bonds were rated from SP-1+ to AAA by Standard & Poor's. Standard & Poor's has assigned STAR Ohio and the U.S. Government money market an AAAm money market rating. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School 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 federal agency securities 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 School 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 held by the District at June 30, 2025:

Measurement/Investment type	Measurement Value	% of Total
<i>Fair value:</i>		
Commercial paper	\$ 46,805,679	25.37
FFCB	12,934,304	7.01
FHLB	13,904,949	7.54
FHLMC	2,480,030	1.34
FNMA	957,196	0.52
Municipal bonds	5,715,240	3.10
Negotiable CDs	13,385,610	7.25
Non-tax municipal bonds	13,970,954	7.57
U.S. Treasury notes	65,121,815	35.29
U.S. Government money market	3,532,759	1.91
<i>Amortized Cost:</i>		
STAR Ohio	5,703,966	3.10
Total	<u>\$ 184,512,502</u>	<u>100.00</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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, 2025:

<u>Cash and investments per note</u>	
Cash on hand	\$ 550
Carrying amount of deposits	4,030,715
Investments	<u>184,512,502</u>
Total	<u>\$ 188,543,767</u>
<u>Cash and investments per statement of net position</u>	
Governmental activities	<u>\$ 188,543,767</u>

NOTE 5 - INTERFUND BALANCES

A. Due to/from other Funds

Due to/from other funds consisted of the following at June 30, 2025, as reported on the fund statement:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General	\$ 635,209	\$ -
Nonmajor Governmental:		
Miscellaneous state grants	-	520,150
Title III	-	16,810
Title IV-A	-	899
Title II-A	-	97,350
	<u>\$ 635,209</u>	<u>\$ 635,209</u>

The primary purpose of the amount due to the general fund from the nonmajor governmental fund was to eliminate negative cash balances. The amounts will be repaid once cash is received.

Amounts due to/from between governmental funds are eliminated on the government-wide statements.

B. Transfers

Transfers made during fiscal year 2025 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 1,015,000
Nonmajor Governmental:		
Athletics	415,000	-
Internal Service:		
Self insurance	600,000	-
Total	<u>\$ 1,015,000</u>	<u>\$ 1,015,000</u>

The general fund transferred unrestricted balances to support programs and projects in the athletics fund and the self-insurance internal service fund.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 5 - INTERFUND BALANCES - (Continued)

C. Interfund Loans

Interfund loans receivable/payable consisted of the following at June 30, 2025, as reported on the fund statements:

	Interfund Loan Receivable	Interfund Loan Payable
General	\$ 21,756	\$ -
Nonmajor Governmental:		
IDEA Part B - Preschool	-	21,756
	<u>\$ 21,756</u>	<u>\$ 21,756</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 and are expected to be repaid within one year. Interfund loans between governmental funds are eliminated on the statement of net position thus there are no internal balances reported on the statement of net position.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2025 represents collections of calendar year 2024 taxes. Real property taxes received in calendar year 2025 were levied after April 1, 2024, on the assessed value listed as of January 1, 2024, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid 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 revenue received in calendar year 2025 represents collections of calendar year 2024 taxes. Public utility real and tangible personal property taxes received in calendar year 2025 became a lien December 31, 2023, were levied after April 1, 2024 and are collected in 2025 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2025, are available to finance fiscal year 2025 operations. The amount available as an advance at June 30, 2025 and 2024 were:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Major governmental fund:		
General fund	\$ 4,815,877	\$ 6,931,151
Nonmajor governmental funds:		
Bond retirement fund	295,211	364,077
Permanent improvement fund	64,114	67,027
Classroom facilities maintenance fund	25,646	26,811

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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 6 - PROPERTY TAXES - (Continued)

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2025, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

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 of resources.

The assessed values upon which the fiscal year 2025 taxes were collected are:

	2024 Second Half Collections		2025 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 926,706,380	97.36	\$ 1,227,510,450	97.79
Public utility personal	25,145,110	2.64	27,738,150	2.21
Total	<u>\$ 951,851,490</u>	<u>100.00</u>	<u>\$ 1,255,248,600</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 192.08		\$ 192.08	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2025, consisted of property taxes, payment in lieu of taxes, accounts (classroom materials and fees) and intergovernmental grants. 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 fiscal year guarantee of federal funds. All receivables except for delinquent property taxes and the Ohio Facilities Construction Commission (OFCC) receivable are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. The OFCC receivable will be collected over the course of the project.

NOTE 8 - SET-ASIDES

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2025, only the unspent portion of certain workers' compensation refunds continues to be set-aside.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 8 - SET-ASIDES - (Continued)

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

	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside balance June 30, 2024	\$ -	\$ 353,070
Current year set-aside requirement	1,075,414	-
Current year qualifying expenditures	(2,836,116)	-
Current year offsets	<u>(1,019,940)</u>	<u>-</u>
Total	<u>\$ (2,780,642)</u>	<u>\$ 353,070</u>
Balance carried forward to fiscal year 2026	<u>\$ -</u>	<u>\$ 353,070</u>
Set-aside balance June 30, 2025	<u>\$ -</u>	<u>\$ 353,070</u>

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years. The total reserve balance for the two set-asides at the end of the fiscal year was \$353,070. This represents workers' compensation refunds that were received prior to April 20, 2001.

NOTE 9 - CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2025.

B. Litigation

The Shaker Heights City School District is party to various legal proceedings. The School District management is of the opinion that the ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the School 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 and Workforce (ODEW) is legislatively required to follow will continue to adjust as enrollment information is updated by the School District, which can extend past the fiscal year-end. As of the date of this report, ODEW has not finalized the impact of enrollment adjustments to the June 30, 2025 Foundation funding for the School District; therefore, the financial statement impact is not determinable at this time. ODEW and management believe this will result in either a receivable to or liability of the School District.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025, was as follows:

	Balance 06/30/24	Additions	Deductions	Balance 06/30/25
Governmental activities:				
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 943,600	\$ -	\$ -	\$ 943,600
Construction in progress	1,013,857	12,618,090	-	13,631,947
Total capital assets, not being depreciated/amortized	<u>1,957,457</u>	<u>12,618,090</u>	<u>-</u>	<u>14,575,547</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	6,106,952	83,757	-	6,190,709
Building and improvements	86,618,092	-	-	86,618,092
Equipment	32,328,202	2,731,428	-	35,059,630
Vehicles	6,542,369	784,589	-	7,326,958
Intangible right-to-use assets:				
Buildings	-	526,935	-	526,935
Equipment	16,759	-	-	16,759
SBITAs	832,101	176,816	(72,025)	936,892
Total capital assets, being depreciated/amortized	<u>132,444,475</u>	<u>4,303,525</u>	<u>(72,025)</u>	<u>136,675,975</u>
<i>Less: accumulated depreciation/amortization</i>				
Land improvements	(3,455,420)	(184,771)	-	(3,640,191)
Building and improvements	(26,215,254)	(1,962,456)	-	(28,177,710)
Equipment	(23,485,831)	(1,797,083)	-	(25,282,914)
Vehicles	(5,047,147)	(309,655)	-	(5,356,802)
Intangible right-to-use assets:				
Buildings	-	(208,999)	-	(208,999)
Equipment	(11,830)	(3,944)	-	(15,774)
SBITAs	(279,633)	(249,746)	72,025	(457,354)
Total accumulated depreciation/amortization	<u>(58,495,115)</u>	<u>(4,716,654)</u>	<u>72,025</u>	<u>(63,139,744)</u>
Governmental activities capital assets, net	<u>\$ 75,906,817</u>	<u>\$ 12,204,961</u>	<u>\$ -</u>	<u>\$ 88,111,778</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 10 - CAPITAL ASSETS - (Continued)

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

<u>Instruction:</u>	
Regular	\$ 2,194,873
Special	11,084
Vocational	21,063
<u>Support Services:</u>	
Pupil	2,803
Instructional staff	529,700
Administration	67,180
Fiscal	6,296
Business	20,383
Operations and maintenance	1,249,507
Pupil transportation	319,007
Central	1,537
<u>Operation of non-instructional services:</u>	
Food service operations	34,953
Other non-instructional services	15,868
Extracurricular activities	<u>242,400</u>
Total depreciation/amortization expense	<u>\$ 4,716,654</u>

NOTE 11 - RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2025, the School District contracted with Liberty Mutual Insurance Company for property, inland marine, vehicle, umbrella and general liability insurance coverage. The primary property coverage has a building and contents limit of \$289 million with a \$15,000 deductible. General liability coverage includes a \$1,000,000 single occurrence limit, a \$3,000,000 aggregate with either a \$1,000 or \$10,000 deductible, depending on the liability category. Coverage for vehicles, including school buses, have a \$1,000 deductible for both comprehensive and collision with a \$1,000,000 per accident combined single limit of liability. The School District also has a \$10,000,000 umbrella policy that covers both general liability and vehicle policies. The School District also has coverages provided by Travelers and other insurance companies that include foreign travel, cyber liability, crime and fiduciary obligations. Settled claims have not exceeded the School District's commercial coverage in any of the past three years and there has not been a significant reduction in coverage from the prior year.

B. Workers' Compensation

Workers' Compensation coverage is provided by the State of Ohio. The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 11 - RISK MANAGEMENT - (Continued)

C. Employee Health Benefits

The School District is self-insured for prescription drug, medical and dental insurance. Express Scripts (through the District's Medical Mutual of Ohio contract), the pharmacy benefit manager of the program, processes the claims for the School District's prescription drug program. Monthly funding rates for prescription drug insurance are \$549.66 for family coverage and \$207.06 for single coverage. The program utilizes a \$7 retail prescription deductible for generic drugs, a \$25 deductible for preferred name brand drugs and a \$50 deductible for non-preferred drugs.

Medical Mutual of Ohio, the third-party administrator, processes the claims for the School District's medical program. Monthly funding rates for medical insurance are \$2,213.98 for family coverage and \$841.86 for single coverage. Anthem Blue Cross/Blue Shield, the third-party administrator, processes the claims for the School District's dental program. Monthly funding rates for dental insurance are \$111.90 for family coverage and \$39.52 for single coverage. The School District has stop loss coverage for medical and prescription drug that begins at \$200,000 per family per year and a calculated aggregate maximum stop loss coverage for the 2025 plan year (July through June) for claims of \$16,367,386.

The claims liability of \$2,086,400 reported in the self-insurance fund at June 30, 2025 for employee medical, dental and drug coverage was estimated by an independent health actuary and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for fiscal years 2024 and 2025 are as follows:

	<u>Beginning of Year</u>	<u>Current Provision</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2025	\$ 2,044,000	\$ 15,756,120	\$ (15,713,720)	\$ 2,086,400
2024	\$ 2,018,900	\$ 15,048,776	\$ (15,023,676)	\$ 2,044,000

NOTE 12 - OTHER EMPLOYEE BENEFITS

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Year-round employees earn up to twenty-four days of vacation per year, depending upon length of service and employee group. Vacation days are credited to employees on July 1, who can carryover five vacation days into the next fiscal year. Accumulated unused vacation time is paid to employees upon termination of employment, with some restrictions. Teachers do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. A percentage of unused sick time is paid at retirement. The number of unused sick days which can accumulate is either unrestricted or limited by the terms of negotiated agreements.

A. Health Care Benefits

The School District's primary health insurance carrier was Medical Mutual of Ohio beginning January 1, 2018. The School District health insurance plan continues to require a \$20 office visit co-pay; a \$250/\$500 deductible; and a \$250/\$500 coinsurance for a \$500/\$1,000 in-network out-of-pocket maximum.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 12 - OTHER EMPLOYEE BENEFITS - (Continued)

B. Life Insurance

Life insurance is offered to employees through Anthem Life Insurance Company. The Superintendent receives \$450,000 for \$69.30 per month; the Treasurer receives \$150,000 coverage for \$19.20 per month; administrators, supervisors, other non-bargaining employees, certified teachers and support teachers, classified clerical and paraprofessional employees receive \$50,000 coverage for \$6.40 per month, and custodial and security employees receive \$40,000 for \$5.12 per month.

NOTE 13 - 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 School District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

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

The remainder of this note includes the required pension disclosures. See Note 14 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 intergovernmental payable and pension and postemployment benefits payable on both the accrual and modified accrual bases of accounting.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - School Employees Retirement System (SERS)

Plan Description - The School 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, 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 before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

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.

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. 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. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 2.5% cost-of-living adjustment (COLA) for calendar year 2024.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the School 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, 2025, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2025, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$2,709,901 for fiscal year 2025. Of this amount, \$254,343 is reported as intergovernmental payable and pension and postemployment benefits payable.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers and other faculty members participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS 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. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 65. Effective on or after August 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a permanent 1 percent COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective Aug. 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after Aug. 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

The DC Plan allows members to place all of their member contributions and 11.09% 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. The remaining 2.91% 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.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate is deposited into the member's DC account and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 2025 employer and employee contribution rate of 14% was equal to the statutory maximum rates. For fiscal year 2025, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$7,354,420 for fiscal year 2025. Of this amount, \$1,321,740 is reported as intergovernmental payable and pension and postemployment benefits payable.

Net 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, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities.

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.452960700%	0.365754730%	
Proportion of the net pension liability current measurement date	<u>0.445221300%</u>	<u>0.373049980%</u>	
Change in proportionate share	<u>-0.007739400%</u>	<u>0.007295250%</u>	
Proportionate share of the net pension liability	\$ 22,775,727	\$ 71,780,844	\$ 94,556,571
Pension expense	\$ 1,756,723	\$ 4,130,814	\$ 5,887,537

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 869,558	\$ 4,520,315	\$ 5,389,873
Changes of assumptions	203,746	3,308,055	3,511,801
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	-	1,142,075	1,142,075
Contributions subsequent to the measurement date	<u>2,709,901</u>	<u>7,354,420</u>	<u>10,064,321</u>
Total deferred outflows of resources	<u>\$ 3,783,205</u>	<u>\$ 16,324,865</u>	<u>\$ 20,108,070</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 39,305	\$ 39,305
Net difference between projected and actual earnings on pension plan investments	1,424,607	6,171,691	7,596,298
Changes of assumptions	-	2,490,015	2,490,015
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>335,152</u>	<u>296,448</u>	<u>631,600</u>
Total deferred inflows of resources	<u>\$ 1,759,759</u>	<u>\$ 8,997,459</u>	<u>\$ 10,757,218</u>

\$10,064,321 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026.

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:			
2026	\$ (1,254,625)	\$ (4,074,079)	\$ (5,328,704)
2027	1,277,986	6,826,340	8,104,326
2028	(290,907)	(1,584,055)	(1,874,962)
2029	<u>(418,909)</u>	<u>(1,195,220)</u>	<u>(1,614,129)</u>
Total	<u>\$ (686,455)</u>	<u>\$ (27,014)</u>	<u>\$ (713,469)</u>

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - 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 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. Future benefits for all current plan members were projected through 2137.

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, 2024 and June 30, 2023, are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.40%	2.40%
Future salary increases, including inflation	3.25% to 13.58%	3.25% to 13.58%
COLA or ad hoc COLA	2.00% on or after April 1, 2018, COLAs for future retirees will be delayed for 3 years following commencement	2.00% on or after April 1, 2018, COLAs for future retirees will be delayed for 3 years following commencement
Investment rate of return	7.00% net of system expenses	7.00% net of system expenses
Actuarial cost method	Entry age normal (level percent of payroll)	Entry age normal (level percent of payroll)

In 2024, mortality rates were based on the following:

Service Retirement: 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. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Disabled Retirement: 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.

Contingent Survivor: PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. Ohio Revised Code Section 3309.15 and the Board-adopted Investment Policy govern investment activity at SERS. 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.

As of June 30, 2024:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	100.00 %	

Discount Rate - Total pension liability for 2024 was calculated using the discount rate of 7.00%. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 20-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2024 was 14%. 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. The annual money-weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2024 was 9.31%.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what-the proportionate share of 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 rate.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
School District's proportionate share of the net pension liability	\$ 34,843,706	\$ 22,775,727	\$ 12,615,136

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024 and June 30, 2023, actuarial valuations are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	Varies by service from 2.50% to 8.50%
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%, effective July 1, 2017	0.00%, effective July 1, 2017

For the June 30, 2024 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 Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, 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 Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2024 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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.90 %
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	<u>100.00 %</u>	

* Final target weights reflected at October 1, 2022.

**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40% and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. 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, 2024.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00%, as well as what the proportionate share of 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
School District's proportionate share of the net pension liability	\$ 115,795,080	\$ 71,780,844	\$ 34,552,361

Assumption and Benefit Changes Since the Prior Measurement Date - The discount rate remained at 7.00% for June 30, 2024 valuation.

Retirement rates were extended to younger ages intended to ensure that the ranges in retirement eligibility impacted participants at such ages.

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 14 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 13 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. 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.

The Health Care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the Health Care Fund on a pay-as-you-go basis.

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, 2025, 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 2025, this amount was \$30,000. 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 2025, the School District's surcharge obligation was \$294,299.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$294,299 for fiscal year 2025. Of this amount, \$294,299 is reported as intergovernmental payable and pension and postemployment benefits payable.

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FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage.

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2025, STRS did not allocate any employer contributions to post-employment health care.

Net 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, 2024, and the total OPEB liability used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability/asset was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.454767900%	0.365754730%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.450565200%</u>	<u>0.373049980%</u>	
Change in proportionate share	<u>-0.004202700%</u>	<u>0.007295250%</u>	
Proportionate share of the net OPEB liability	\$ 4,588,986	\$ -	\$ 4,588,986
Proportionate share of the net OPEB asset	\$ -	\$ (7,076,045)	\$ (7,076,045)
OPEB expense	\$ (910,456)	\$ (1,546,068)	\$ (2,456,524)

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 307,610	\$ 307,610
Net difference between projected and actual earnings on OPEB plan investments	22,406	-	22,406
Changes of assumptions	1,969,590	870,963	2,840,553
Difference between employer contributions and proportionate share of contributions/change in proportionate share	43,323	3,682	47,005
Contributions subsequent to the measurement date	<u>294,299</u>	<u>-</u>	<u>294,299</u>
Total deferred outflows of resources	<u>\$ 2,329,618</u>	<u>\$ 1,182,255</u>	<u>\$ 3,511,873</u>
	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ 4,948,125	\$ 762,576	\$ 5,710,701
Net difference between projected and actual earnings on OPEB plan investments	-	303,822	303,822
Changes of assumptions	2,108,010	3,191,248	5,299,258
Difference between employer contributions and proportionate share of contributions/change in proportionate share	<u>1,258,644</u>	<u>103,161</u>	<u>1,361,805</u>
Total deferred inflows of resources	<u>\$ 8,314,779</u>	<u>\$ 4,360,807</u>	<u>\$ 12,675,586</u>

\$294,299 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2026.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2026	\$ (1,633,039)	\$ (1,140,457)	\$ (2,773,496)
2027	(1,226,484)	(483,315)	(1,709,799)
2028	(864,661)	(616,589)	(1,481,250)
2029	(668,319)	(574,370)	(1,242,689)
2030	(661,573)	(466,391)	(1,127,964)
Thereafter	<u>(1,225,384)</u>	<u>102,570</u>	<u>(1,122,814)</u>
Total	<u>\$ (6,279,460)</u>	<u>\$ (3,178,552)</u>	<u>\$ (9,458,012)</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2024 and June 30, 2023 are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.40%	2.40%
Future salary increases, including inflation	3.25% to 13.58%	3.25% to 13.58%
Investment rate of return	7.00% net of investment expense, including inflation	7.00% net of investment expense, including inflation
Actuarial cost method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)
Fiduciary net position is projected to be depleted	2059	2048
Municipal bond index rate	3.93%	3.86%
Single equivalent interest rate, net of plan investment expense, including price inflation	4.88%	4.27%
Medical trend assumption	7.00 to 4.40%	6.75 to 4.40%

In 2024, the following mortality assumptions were used:

Healthy Retirees - 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.

Disabled Retirees - 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.

Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

Mortality Projection - Mortality rates are projected using a fully generational projection with Scale MP-2020.

In the prior measurement date, the following mortality assumptions were used:

Healthy Retirees - 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.

Disabled Retirees - 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.

Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

Mortality Projection - Mortality rates are projected using a fully generational projection with Scale MP-2020.

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

The long-term expected rate on plan assets of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent five-year experience study was performed for the period covering fiscal years 2016 through 2020, and was adopted by the Board on April 15, 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 (expected return, net of investment expense and inflation) 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 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 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.

As of June 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (geometric)</u>
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	<u>100.00 %</u>	

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

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88%. The discount rate used to measure total OPEB liability prior to June 30, 2024, was 4.27%. 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 is projected to be depleted in 2059 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2023 and the June 30, 2024 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 was 3.93% at June 30, 2024 and 3.86% at June 30, 2023.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the proportionate share of the net OPEB liability, what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.88%) and higher (5.88%) than the current discount rate (4.88%). Also shown is what the proportionate share of 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%).

	1% Decrease	Current Discount Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 6,119,249	\$ 4,588,986	\$ 3,372,984

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 3,101,983	\$ 4,588,986	\$ 6,543,530

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024 actuarial valuation, compared with June 30, 2023 actuarial valuation, are presented below:

	June 30, 2024		June 30, 2023	
Projected salary increases	Varies by service from 2.50% to 8.50%		Varies by service from 2.50% to 8.50%	
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%	
Discount rate of return	7.00%		7.00%	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	7.50%	3.94%	7.50%	4.14%
Medicare	-112.22%	3.94%	-10.94%	4.14%
Prescription Drug				
Pre-Medicare	8.00%	3.94%	-11.95%	4.14%
Medicare	-15.14%	3.94%	1.33%	4.14%

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 14 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

For the June 30, 2024 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.

For the prior measurement date, 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.

Actuarial assumptions used in the June 30, 2024 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, 2024 valuation.

Benefit Term Changes Since the Prior Measurement Date - Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

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

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.90 %
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	100.00 %	

* Final target weights reflected at October 1, 2022.

**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40% and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

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

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed STRS 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, 2024. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2024.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2024, calculated using the current period discount rate assumption of 7.00%, as well as what the proportionate share of 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 proportionate share of 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.

	1% Decrease	Current Discount Rate	1% Increase
School District's proportionate share of the net OPEB asset	\$ 5,753,292	\$ 7,076,045	\$ 8,227,129

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	\$ 8,304,883	\$ 7,076,045	\$ 5,598,208

NOTE 15 - SIGNIFICANT COMMITMENTS

A. Contractual Commitments

As a result of projects that were in progress at June 30, 2025, the School District had the following outstanding contractual commitments at fiscal year-end:

	Contract Amount	Expenditures as of June 30, 2025	Amount Remaining on Contract
Gilbane Building Company	\$ 15,263,572	\$ (7,620,507)	\$ 7,643,065
GPD group	479,248	-	479,248
Garland	788,596		788,596
	<u>\$ 16,531,416</u>	<u>\$ (7,620,507)</u>	<u>\$ 8,910,909</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - SIGNIFICANT COMMITMENTS - (Continued)

B. Encumbrance Commitments

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

Fund	Amount
General	\$ 3,953,151
Classroom facilities	3,481,802
Nonmajor Governmental	10,465,642
	<u>\$ 17,900,595</u>

Based on timing of when contracts are encumbered, contractual commitments identified above may or may not be included in the outstanding encumbrance commitments previously disclosed in this note.

NOTE 16 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the School District's bonds is as follows:

Debt Issue	Interest Rate	Original Issue Amount	Fiscal Year of Maturity
<i>General Obligation Bonds:</i>			
School Improvement - 2008	4.00 - 4.50%	\$ 4,999,999	2026
School Improvement Refunding - 2012	2.00 - 21.00%	4,994,310	2026
School Improvement Refunding - 2015	3.98%	5,345,000	2026
School Improvement Bond - 2018	2.25 - 5.00%	20,100,000	2034
School Improvement Bond - 2018	2.00 - 2.75%	8,395,000	2038
School Improvement Bond - 2024	4.38 - 5.25%	102,660,000	2062
Certificates of Participation - 2024	4.25 - 5.00%	16,500,000	2054
Capital Improvement - 2012	2.00 - 2.50%	4,170,000	2028

School Improvement Refunding Bonds - 2012 On October 30, 2012, the School District issued \$4,994,310 in general obligation bonds to refund a portion of the 2005 school improvement bonds. The general obligation bonds included serial and capital appreciation bonds in the amount of \$4,875,000 and \$119,310, respectively. The bonds were issued for a thirteen year period with a final maturity at December 15, 2025. As of June 30, 2025, \$450,000 of the defeased debt is outstanding. The serial bonds remained outstanding at June 30, 2024. The capital appreciation bonds were originally sold at a discount of \$375,690, which was being accreted annually until the point of maturity of the capital appreciation bonds, which was 2020. The maturity amount of the outstanding capital appreciation bonds was \$495,000.

The issuance resulted in an economic gain of \$543,228. The issuance resulted in a difference (savings) between the cash flow requirements to service the old debt and the cash flows required to service the new debt of \$227,729.

School Improvement Refunding Bonds - 2015 On March 11, 2015, the School District issued \$5,345,000 in general obligation bonds to refund a portion of the 2007 and 2009 school improvement bonds in the amounts of \$3,600,000 and \$1,885,000, respectively. The bonds were issued for an eleven year period with a final maturity at December 15, 2025. As of June 30, 2025, \$990,000 of the defeased debt is outstanding.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

The issuance resulted in a difference (savings) between the cash flow requirements to service the old debt and the cash flows required to service the new debt of \$347,326.

School Improvement Bonds - 2018 On April 11, 2018, the School District issued \$20,100,000 in school improvement bonds for the purpose of constructing, adding to, renovating, remodeling, furnishing, equipping and otherwise improving School District buildings. The bonds will be retired with a voted property tax levy from the debt service fund maturing in fiscal year 2034.

On April 25, 2018, the School District issued \$8,395,000 in school improvement bonds for the purpose of constructing, adding to, renovating, remodeling, furnishing, equipping and otherwise improving School District buildings. The bonds will be retired with a voted property tax levy from the debt service fund maturing in fiscal year 2038.

School Improvement Bonds - 2024 On April 4, 2024, the School District issued \$102,660,000 in school improvement bonds for the purpose of constructing, adding to, renovating, remodeling, furnishing, equipping and otherwise improving School District buildings. The bonds will be retired with a voted property tax levy from the bond retirement fund (a nonmajor governmental fund) maturing in fiscal year 2062. At June 30, 2025, there were \$101,813,383 in unspent bond proceeds outstanding.

Certificates of Participation (COPs) - 2024 On March 30, 2024, the School District issued \$16,500,000 in certificates of participation for the purpose constructing, adding to, renovating, remodeling, furnishing, equipping and otherwise improving School District buildings. The certificates of participation will be retired with a voted property tax levy from the permanent improvement fund (a nonmajor governmental fund) maturing in fiscal year 2054. At June 30, 2025, there were \$7,811,861 in unspent proceeds outstanding.

Capital Improvement & Equipment Bonds - 2012 On October 30, 2012, the School District issued \$2,340,000 for energy efficiency improvements, \$830,000 for stadium improvements, and \$1,000,000 for buses in general obligation. The bonds were issued for a fifteen year period with a final maturity at December 15, 2027.

The School District's overall debt margin was \$41,369,412 with an unvoted debt margin of \$1,255,249 at June 30, 2025.

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

Due to the implementation of GASB Statement No. 101 (see Note 3 for detail), the School District has restated compensated absences as of June 30, 2024, which is reflected in the schedule below. Changes in the School District's long-term obligation during fiscal year 2025 were as follows:

	Restated Balance 06/30/24	Additions	Deletions	Balance 06/30/25	Amount Due in One Year
Governmental Activities:					
<u>General Obligation Bonds</u>					
School Improvement Refunding Bonds - 2012					
Serial Bonds	\$ 845,000	\$ -	\$ (430,000)	\$ 415,000	\$ 415,000
Unamortized Premium	51,282	-	(51,282)	-	-
Total School Improvement Refunding Bonds - 2012	896,282	-	(481,282)	415,000	415,000
School Improvement Refunding Bonds - 2015					
Serial Bonds	1,845,000	-	(905,000)	940,000	940,000
Unamortized Premium	119,421	-	(59,712)	59,709	-
Total School Improvement Refunding Bonds - 2015	1,964,421	-	(964,712)	999,709	940,000
School Improvement Bonds - 2018					
Serial Bonds	14,035,000	-	(1,175,000)	12,860,000	1,205,000
Unamortized Premium	878,583	-	(87,859)	790,724	-
Total School Improvement Bonds - 2018	14,913,583	-	(1,262,859)	13,650,724	1,205,000
School Improvement Bonds - 2018					
Serial Bonds	8,245,000	-	(25,000)	8,220,000	25,000
School Improvement Bonds - 2024					
Serial Bonds	102,660,000	-	-	102,660,000	5,000
Unamortized Premium	9,598,507	-	(256,245)	9,342,262	-
Unamortized Discount	(247,950)	-	6,619	(241,331)	-
Total School Improvement Bonds - 2024	112,010,557	-	(249,626)	111,760,931	5,000
Total General Obligation Bonds	138,029,843	-	(2,983,479)	135,046,364	2,590,000
<u>Certificates of Participation</u>					
Serial Bonds	16,500,000	-	(905,000)	15,595,000	250,000
Unamortized Premium	706,419	-	(24,014)	682,405	-
Unamortized Discount	(116,456)	-	3,959	(112,497)	-
Total Certificates of Participation	17,089,963	-	(925,055)	16,164,908	250,000
<u>Direct Borrowings:</u>					
Capital Improvement & Equipment Bonds - 2012					
Energy Conservation	695,000	-	(170,000)	525,000	170,000
Total Direct Borrowings	695,000	-	(170,000)	525,000	170,000
<u>Net Pension/OPEB Liability:</u>					
Pension	103,793,466	-	(9,236,895)	94,556,571	-
OPEB	7,492,053	-	(2,903,067)	4,588,986	-
Total Net Pension/OPEB Liability	111,285,519	-	(12,139,962)	99,145,557	-
<u>Other Long-term Obligations:</u>					
Compensated Absences*	39,957,006	-	(33,969)	39,923,037	2,834,203
Leases payable	6,029	508,115	(185,124)	329,020	219,400
SBITAs Payable	399,133	91,886	(171,027)	319,992	102,160
Notes payable - finance purchase	244	-	(244)	-	-
Total All Governmental Activities Long-Term Liabilities	\$ 307,462,737	\$ 600,001	\$ (16,608,860)	\$ 291,453,878	\$ 6,165,763

*The change in compensated absences liability is presented as a net change.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

General obligation bonds will be paid from the general fund and debt service fund (a nonmajor governmental fund). Compensated absences will be paid from the general fund. There is no repayment schedule for the net pension liability and net OPEB asset/liability; however, employer pension and OPEB contributions are primarily made from the General Fund. For additional information related to the net pension liability and net OPEB asset/liability see Notes 13 and 14.

Principal and interest requirements to retire the general obligation bonds, direct borrowings, and certificates of participation outstanding at June 30, 2025 are as follows:

Fiscal Year Ending June 30	Serial Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 2,590,000	\$ 5,969,949	\$ 8,559,949	\$ 170,000	\$ 11,000	\$ 181,000
2027	1,285,000	5,890,682	7,175,682	175,000	6,687	181,687
2028	1,350,000	5,831,970	7,181,970	180,000	2,250	182,250
2029	2,595,000	5,747,283	8,342,283	-	-	-
2030	2,715,000	5,628,945	8,343,945	-	-	-
2031 - 2035	15,680,000	26,175,052	41,855,052	-	-	-
2036 - 2040	15,305,000	22,593,114	37,898,114	-	-	-
2041 - 2045	11,885,000	19,650,093	31,535,093	-	-	-
2046 - 2050	15,165,000	16,284,844	31,449,844	-	-	-
2051 - 2055	19,460,000	11,865,306	31,325,306	-	-	-
2056 - 2060	25,120,000	6,044,634	31,164,634	-	-	-
2061 - 2062	11,945,000	527,972	12,472,972	-	-	-
Total	<u>\$ 125,095,000</u>	<u>\$ 132,209,844</u>	<u>\$ 257,304,844</u>	<u>\$ 525,000</u>	<u>\$ 19,937</u>	<u>\$ 544,937</u>

Principal and interest requirements to retire the certificates of participation outstanding at June 30, 2025 is as follows:

Fiscal Year Ending June 30	Certificates of Participation		
	Principal	Interest	Total
2026	\$ 250,000	\$ 745,712	\$ 995,712
2027	265,000	732,838	997,838
2028	280,000	719,212	999,212
2029	290,000	704,963	994,963
2030	305,000	690,087	995,087
2031 - 2035	1,780,000	3,198,566	4,978,566
2036 - 2040	2,270,000	2,694,813	4,964,813
2041 - 2045	2,900,000	2,053,960	4,953,960
2046 - 2050	3,655,000	1,281,380	4,936,380
2051 - 2054	3,600,000	333,000	3,933,000
Total	<u>\$ 15,595,000</u>	<u>\$ 13,154,531</u>	<u>\$ 28,749,531</u>

Leases Payable The School District has entered into lease agreements for the intangible right-to-use building space and equipment. Due to the implementation of GASB Statement No. 87, the School 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, classroom facilities fund, and building fund (a nonmajor governmental fund).

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

The School District has entered into lease agreements for a building and equipment at varying years and terms as follows:

<u>Lease</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Postage machine	2020	5	2026	Quarterly
15600 Parkland Dr building space	2025	3	2028	Monthly
Modular building space	2025	2	2027	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>
2026	\$ 219,400	\$ 11,500	\$ 230,900
2027	100,950	3,196	104,146
2028	<u>8,670</u>	<u>37</u>	<u>8,707</u>
Total	<u>\$ 329,020</u>	<u>\$ 14,733</u>	<u>\$ 343,753</u>

SBITAs Payable The School District has entered into agreements for the intangible right-to-use software. Due to the implementation of GASB Statement No. 96, the School District will report an intangible capital asset and corresponding liability for the future scheduled payments under the agreements. The payments will be paid from the general fund.

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

<u>Lease</u>	<u>Commencement Date</u>	<u>Years</u>	<u>End Date</u>	<u>Payment Method</u>
Microsoft 365	2023	3	2026	Annual
Panorama Student	2021	3	2025	Annual
Edulog Bus Routing	2022	3	2025	Annual
Harcourt #1	2022	6	2028	Annual
Harcourt #2	2022	6	2028	Annual
Just Play Sports	2024	3	2027	Annual
Google Workspace	2024	3	2026	Annual
MS Windows Server	2024	2	2026	Annual
Unified Insights on Premium	2024	5	2028	Annual
Unified Insights Student Essentials	2024	5	2028	Annual
Unified Insights Platform	2024	5	2028	Annual
Powerschool Enrollment	2024	5	2028	Annual
Powerschool E Collect	2024	5	2028	Annual
Powerschool Powerpack	2024	5	2028	Annual
Toshiba Copier and Fax	2025	5	2029	Annual
Just Play Sports Solution	2025	3	2028	Annual

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 102,160	\$ 16,371	\$ 118,531
2027	103,886	11,145	115,031
2028	98,701	5,829	104,530
2029	<u>15,245</u>	<u>780</u>	<u>16,025</u>
Total	<u>\$ 319,992</u>	<u>\$ 34,125</u>	<u>\$ 354,117</u>

Notes payable - finance purchase The School District entered into finance purchase agreements for copiers and scanning equipment. As of June 30, 2025, there were no further obligations outstanding.

NOTE 17 - RELATED ORGANIZATION

The Shaker Heights Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Shaker Heights City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School 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. Financial information can be obtained from the Shaker Heights Public Library Director, at 16500 Van Aken Boulevard, Shaker Heights, Ohio 44120.

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

Ohio Schools' Council Association

The Ohio Schools' Council Association (Council) is a jointly governed regional council of governments with members numbering over 266 school districts and related school organizations, located in 37 counties and serving over 500,000 students. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Council operates under a nine-member Board of Directors (the Board). The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Board is the policy-making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2025, the School District paid membership fees of \$10,512 to the Council. Financial information can be obtained by contacting the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS – (Continued)

Utility Purchase Programs

The School District participates in the natural gas purchase program. This three-year program, which goes through June 30, 2026, allows the School District to purchase natural gas at reduced rates (currently at \$0.34/dekatherm lower than the Dominion East Ohio's current Standard Service Offer (SSO). Constellation New Energy (fka Compass Energy) is the supplier and program manager. There are currently 165 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's electricity group purchase program. The Council's previous program, which included 256 members, Power 4 Schools, a partnership between the Council, the Ohio Association of School Business Officials (OASBO), the Ohio School Boards Association (OSBA) and the Buckeye Association of School Administrators (BASA), provided for a fixed per kilowatt-hour for electricity generation until May 2014, when it was converted to a new fixed price (\$0.0518/kwh effective June 2017 through the end of the agreement) or percent off the Price to Compare (PTC), whichever provided the greatest savings through December 2019. The 2025 renewal rate was \$.03130/kwh.

Connect and NEOnet

Connect is a jointly governed computer service bureau known as an Information Technology Center (ITC) that was formed for the purpose of providing data services to its then twenty-nine member school districts. Major areas of service provided by Connect include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Connect operates as a Council of Governments (COG), whereby the Educational Service Center of Northeast Ohio (ESCNEO), the Educational Service Center of Lorain County (ESCLC), the Educational Service Center of Medina County (ESCMC), and the Ohio Schools Council (OSC) (collectively referred to as the Member-Owners) became the Member-Owners responsible for governance, accountability and financial liability of the ITC. Integral to the transaction, all financial obligations of the then current 26 member school districts were transferred to the new Member-Owners in consideration for their relinquishment of control of the ITC. The new membership agreement for participating school districts establishes an initial "Minimum Purchase Requirement" defined as purchasing at least one core service for a minimum of three years. This applies to current ITC members and any new members that join at a future date. The membership agreement also removes requirements to pay outstanding debts and obligations when a member withdraws from the ITC after the Minimum Purchase Requirement. There is no financial buy-in required for future members to join Connect, and there is intent required to withdraw. Instead, after the minimum purchase requirement is satisfied, members can withdraw at any time with sixty (60) days advance notice, and no financial obligation outside of direct costs incurred for services provided.

The ESCNEO continues to serve as the fiscal agent of Connect. Participating school districts pay for services provided by the ITC based upon a per pupil charge dependent upon the software packages and services used. In fiscal year 2025, the School District paid \$17,804 to Connect. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

Effective August 2018, the School District obtains its fiscal services from NEOnet, an ITC with offices located in Cuyahoga Falls. Other services continue to be provided by Connect. In fiscal year 2025, the School District made payments of \$189,885 to NEOnet, in connection with providing fiscal services primarily for the eFinancePlus software package.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 19 - TAX ABATEMENTS

The School District and other local governments located within the School District's boundaries have entered into tax abatement agreements in order to retain or attract new industry, preserve or increase employment and revitalize the local economy. These tax abatements also affect the School District's revenue stream, as they mean that the School District is foregoing or reducing tax revenue it is otherwise entitled to collect. All agreements are in effect prior to the reduction of taxes and are granted for the purpose of economic assistance or development. The amount of the abatement is a reduction of the taxable assessed valuation thus reducing the recipient's tax bill. The School District's fiscal year 2025 taxes abated amounted to \$340,826.

REQUIRED SUPPLEMENTARY INFORMATION

**SHAKER HEIGHTS 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, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - over (under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>		
Budgetary revenues and other financing sources	\$ 101,824,068	\$ 107,558,724	\$ 106,560,481	\$ (998,243)
Budgetary expenditures and other financing uses	<u>123,014,223</u>	<u>126,014,223</u>	<u>123,534,714</u>	<u>(2,479,509)</u>
Net change in fund balance	(21,190,155)	(18,455,499)	(16,974,233)	1,481,266
Budgetary fund balance at beginning of year	59,808,878	59,808,878	59,808,878	-
Prior year encumbrances appropriated	<u>3,359,351</u>	<u>3,359,351</u>	<u>3,359,351</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 41,978,074</u></u>	<u><u>\$ 44,712,730</u></u>	<u><u>\$ 46,193,996</u></u>	<u><u>\$ 1,481,266</u></u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

Fiscal Year (1)	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.445221300%	\$ 22,775,727	\$ 19,117,836	119.13%	78.52%
2024	0.452960700%	25,028,412	17,863,100	140.11%	76.06%
2023	0.455623700%	24,643,674	16,782,050	146.85%	75.82%
2022	0.462321200%	17,058,312	15,528,600	109.85%	82.86%
2021	0.480893200%	31,807,289	17,108,571	185.91%	68.55%
2020	0.497162600%	29,746,110	17,144,733	173.50%	70.85%
2019	0.483324600%	27,680,895	16,377,252	169.02%	71.36%
2018	0.514505100%	30,740,543	16,345,950	188.06%	69.50%
2017	0.512017000%	37,474,920	17,656,993	212.24%	62.98%
2016	0.511268500%	29,173,476	17,290,819	168.72%	69.16%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 2,709,901	\$ (2,709,901)	\$ -	\$ 19,356,436	14.00%
2024	2,676,497	(2,676,497)	-	19,117,836	14.00%
2023	2,500,834	(2,500,834)	-	17,863,100	14.00%
2022	2,349,487	(2,349,487)	-	16,782,050	14.00%
2021	2,174,004	(2,174,004)	-	15,528,600	14.00%
2020	2,395,200	(2,395,200)	-	17,108,571	14.00%
2019	2,314,539	(2,314,539)	-	17,144,733	13.50%
2018	2,210,929	(2,210,929)	-	16,377,252	13.50%
2017	2,288,433	(2,288,433)	-	16,345,950	14.00%
2016	2,471,979	(2,471,979)	-	17,656,993	14.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

Fiscal Year (1)	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.373049980%	\$ 71,780,844	\$ 52,080,843	137.83%	82.55%
2024	0.365754730%	78,765,054	50,060,114	157.34%	80.02%
2023	0.363599820%	80,828,697	47,989,014	168.43%	78.88%
2022	0.368003121%	47,052,507	43,507,143	108.15%	87.78%
2021	0.363817330%	88,030,848	44,180,929	199.25%	75.48%
2020	0.363467930%	80,378,748	42,666,300	188.39%	77.40%
2019	0.371928150%	81,778,649	42,267,521	193.48%	77.31%
2018	0.362696280%	86,159,279	40,214,564	214.25%	75.30%
2017	0.361823600%	121,113,265	39,452,800	306.98%	66.80%
2016	0.355951270%	98,374,519	37,351,907	263.37%	72.10%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 7,354,420	\$ (7,354,420)	\$ -	\$ 52,531,571	14.00%
2024	7,291,318	(7,291,318)	-	52,080,843	14.00%
2023	7,008,416	(7,008,416)	-	50,060,114	14.00%
2022	6,718,462	(6,718,462)	-	47,989,014	14.00%
2021	6,091,000	(6,091,000)	-	43,507,143	14.00%
2020	6,185,330	(6,185,330)	-	44,180,929	14.00%
2019	5,973,282	(5,973,282)	-	42,666,300	14.00%
2018	5,917,453	(5,917,453)	-	42,267,521	14.00%
2017	5,630,039	(5,630,039)	-	40,214,564	14.00%
2016	5,523,392	(5,523,392)	-	39,452,800	14.00%

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE AND TEN FISCAL YEARS

Fiscal Year (1) (2)	School District's Proportion of the Net OPEB Liability	School District's Proportionate Share of the Net OPEB Liability	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	0.450565200%	\$ 4,588,986	\$ 19,117,836	24.00%	44.50%
2024	0.454767900%	7,492,053	17,863,100	41.94%	30.02%
2023	0.461811900%	6,483,887	16,782,050	38.64%	30.34%
2022	0.457110200%	8,651,185	15,528,600	55.71%	24.08%
2021	0.489379000%	10,635,807	17,105,571	62.18%	18.17%
2020	0.509415000%	12,810,726	17,144,733	74.72%	15.57%
2019	0.490688600%	13,613,027	16,377,152	83.12%	13.57%
2018	0.520364900%	13,965,227	16,345,950	85.44%	12.46%
2017	0.517473420%	14,749,907	17,656,993	83.54%	11.49%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 294,299	\$ (294,299)	\$ -	\$ 19,356,436	1.52%
2024	305,989	(305,989)	-	19,117,836	1.60%
2023	271,319	(271,319)	-	17,863,100	1.52%
2022	280,785	(280,785)	-	16,782,050	1.67%
2021	269,942	(269,942)	-	15,528,600	1.74%
2020	268,779	(268,779)	-	17,108,571	1.57%
2019	396,288	(396,288)	-	17,144,733	2.31%
2018	348,557	(348,557)	-	16,377,252	2.13%
2017	251,987	(251,987)	-	16,345,950	1.54%
2016	255,839	(255,839)	-	17,656,993	1.45%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE AND TEN FISCAL YEARS

Fiscal Year (1) (2)	School District's Proportion of the Net OPEB Liability/(Asset)	School District's Proportionate Share of the Net OPEB Liability/(Asset)	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)
2025	0.373049980%	\$ (7,076,045)	\$ 52,080,843	13.59%	158.01%
2024	0.365754730%	(7,113,424)	50,060,114	14.21%	168.52%
2023	0.363599820%	(9,414,808)	47,989,014	19.62%	230.73%
2022	0.368003121%	(7,759,045)	43,507,143	17.83%	174.73%
2021	0.363817000%	(6,394,076)	44,180,929	14.47%	182.10%
2020	0.363468000%	(6,019,902)	42,666,300	14.11%	174.74%
2019	0.371928150%	(5,976,506)	42,267,521	14.14%	176.00%
2018	0.362696280%	14,151,070	40,214,564	35.19%	47.10%
2017	0.361823600%	19,350,420	39,452,800	49.05%	37.30%

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ -	\$ -	\$ -	\$ 52,531,571	0.00%
2024	-	-	-	52,080,843	0.00%
2023	-	-	-	50,060,114	0.00%
2022	-	-	-	47,989,014	0.00%
2021	-	-	-	43,507,143	0.00%
2020	-	-	-	44,180,929	0.00%
2019	-	-	-	42,666,300	0.00%
2018	-	-	-	42,267,521	0.00%
2017	-	-	-	40,214,564	0.00%
2016	-	-	-	39,452,800	0.00%

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

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1 - BUDGETARY PROCESS

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The schedule of revenues, 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);
- (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); and
- (d) 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 is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$(16,974,233)
Net adjustment for revenue and other financing sources accruals	157,894
Net adjustment for expenditure and other financing uses accruals	(4,238,466)
Funds budgeted elsewhere	(160,396)
Adjustments for encumbrances	<u>4,129,099</u>
GAAP Basis	<u><u>\$(17,086,102)</u></u>

As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. This includes the public school support fund, the Shaker merchandise fund, fringe benefits, and uniform school supplies fund.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Change in benefit terms:

- 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%.
- For fiscal year 2023, SERS changed from a Cost of Living Adjustment (COLA) of 2.0% to 2.5%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts reported for fiscal year 2025.

Change in assumptions:

- 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.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2025.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Change in benefit terms:

- 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.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2024.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2025.

Changes in assumptions:

- 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: 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%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2025.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Change 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.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts reported for fiscal year 2025.

Change 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%.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- 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%.
- For fiscal year 2024, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.69% to 3.86%, (b) single equivalent interest rate when from 4.08% to 4.27% and (c) medical trend assumptions went from 7.00% to 4.40% to 6.75% to 4.40%.
- For fiscal year 2025, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.86% to 3.93%, (b) single equivalent interest rate when from 4.27% to 4.88% and (c) medical trend assumptions went from 6.75% to 4.40% to 7.00% to 4.40%.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Change 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 non-Medicare 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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- 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.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2024.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2025.

Change 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 prescription drug Medicare from (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- 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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)

- For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from - 68.78% initial - 3.94% ultimate to - 10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to - 11.95% initial - 4.14% ultimate; and prescription drug Medicare from - 5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.
- For fiscal year 2025, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 4.14% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from - 10.94% initial - 4.14% ultimate to - 112.22% initial - 3.94% ultimate; prescription drug Pre-Medicare from - 11.95% initial - 4.14% ultimate to 8.00% initial - 3.94% ultimate; and prescription drug Medicare from 1.33% initial - 4.14% ultimate to - 15.14% initial - 3.94% ultimate.

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COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Classroom Facilities Fund			
Budgetary revenues and other financing sources	\$ 3,200,000	\$ 3,728,003	\$ 528,003
Budgetary expenditures and other financing uses	<u>50,675,885</u>	<u>3,680,748</u>	<u>(46,995,137)</u>
Net change in fund balances	(47,475,885)	47,255	47,523,140
Budgetary fund balance at beginning of year	79,980,722	79,980,722	-
Prior year encumbrances appropriated	<u>675,885</u>	<u>675,885</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 33,180,722</u></u>	<u><u>\$ 80,703,862</u></u>	<u><u>\$ 47,523,140</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund - Bond Retirement	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,618,355	\$ 10,538,461	\$ 37,175,556	\$ 49,332,372
Receivables:				
Property taxes	289,371	5,553,472	1,127,745	6,970,588
Accrued interest	-	8,248	163,543	171,791
Due from other governments	309,512	-	-	309,512
Prepayments	4,292	-	-	4,292
Total assets	<u>\$ 2,221,530</u>	<u>\$ 16,100,181</u>	<u>\$ 38,466,844</u>	<u>\$ 56,788,555</u>
Liabilities:				
Accounts payable	\$ 11,983	\$ -	\$ -	\$ 11,983
Contracts payable	-	-	3,189,486	3,189,486
Accrued wages and benefits payable	168,753	-	-	168,753
Due to other governments	2,433	-	-	2,433
Pension and postemployment benefits payable	36,247	-	-	36,247
Interfund loans payable	21,756	-	-	21,756
Due to other funds	635,209	-	-	635,209
Unearned revenue	91,291	-	-	91,291
Total liabilities	<u>967,672</u>	<u>-</u>	<u>3,189,486</u>	<u>4,157,158</u>
Deferred inflows of resources:				
Property taxes levied for the next year	211,613	4,658,395	933,352	5,803,360
Delinquent property tax revenue not available	52,112	599,866	130,279	782,257
Intergovernmental revenue not available	212,162	-	-	212,162
Accrued interest not available	-	8,248	110,971	119,219
Total deferred inflows of resources	<u>475,887</u>	<u>5,266,509</u>	<u>1,174,602</u>	<u>6,916,998</u>
Fund balances:				
Nonspendable:				
Prepays	4,292	-	-	4,292
Restricted:				
Debt service	-	10,833,672	-	10,833,672
Capital projects	-	-	34,102,756	34,102,756
Classroom facilities maintenance	750,404	-	-	750,404
Food service operations	209,848	-	-	209,848
Non-public schools	17	-	-	17
Extracurricular programs	301,438	-	-	301,438
Other purposes	317,011	-	-	317,011
Unassigned (deficit)	<u>(805,039)</u>	<u>-</u>	<u>-</u>	<u>(805,039)</u>
Total fund balances	<u>777,971</u>	<u>10,833,672</u>	<u>34,102,756</u>	<u>45,714,399</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 2,221,530</u>	<u>\$ 16,100,181</u>	<u>\$ 38,466,844</u>	<u>\$ 56,788,555</u>

**SHAKER HEIGHTS 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, 2025

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund - Bond Retirement	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 460,239	\$ 4,065,651	\$ 1,004,502	\$ 5,530,392
Intergovernmental	4,092,020	126,408	12,525	4,230,953
Investment earnings	15,450	372,472	1,950,927	2,338,849
Tuition and fees	1,042	-	-	1,042
Extracurricular	660,483	-	-	660,483
Charges for services	741,322	-	-	741,322
Contributions and donations	44,379	-	-	44,379
Miscellaneous	38,889	-	36,545	75,434
Total revenues	<u>6,053,824</u>	<u>4,564,531</u>	<u>3,004,499</u>	<u>13,622,854</u>
Expenditures:				
Current:				
Instruction:				
Regular	821,863	-	85,957	907,820
Special	1,398,796	-	-	1,398,796
Vocational	42,861	-	-	42,861
Other	54,992	-	-	54,992
Support services:				
Pupil	201,587	-	-	201,587
Instructional staff	17,572	-	-	17,572
Administration	153,858	-	-	153,858
Fiscal	-	67,255	16,535	83,790
Operations and maintenance	17,330	-	472,033	489,363
Pupil transportation	600,774	-	-	600,774
Operation of non-instructional services:				
Food service operations	2,121,855	-	-	2,121,855
Other non-instructional services	235,500	-	-	235,500
Extracurricular activities	997,483	-	-	997,483
Facilities acquisition and construction	-	-	11,588,418	11,588,418
Capital outlay	-	-	160,499	160,499
Debt service:				
Principal retirement	-	2,535,000	979,847	3,514,847
Interest	-	6,772,712	769,325	7,542,037
Total expenditures	<u>6,664,471</u>	<u>9,374,967</u>	<u>14,072,614</u>	<u>30,112,052</u>
Excess of expenditures over revenues	<u>(610,647)</u>	<u>(4,810,436)</u>	<u>(11,068,115)</u>	<u>(16,489,198)</u>
Other financing sources:				
Sale of assets	-	-	61,019	61,019
Transfers in	415,000	-	-	415,000
Lease transactions	-	-	160,499	160,499
Total other financing sources	<u>415,000</u>	<u>-</u>	<u>221,518</u>	<u>636,518</u>
Net change in fund balances	(195,647)	(4,810,436)	(10,846,597)	(15,852,680)
Fund balances as previously reported	973,618	15,644,108	7,015,514	23,633,240
Adjustment - changes in major fund to nonmajor fund	<u>-</u>	<u>-</u>	<u>37,933,839</u>	<u>37,933,839</u>
Fund balances				
at beginning of year, as adjusted	973,618	15,644,108	44,949,353	61,567,079
Fund balances at end of year	<u><u>\$ 777,971</u></u>	<u><u>\$ 10,833,672</u></u>	<u><u>\$ 34,102,756</u></u>	<u><u>\$ 45,714,399</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

Nonmajor Special Revenue Funds

The special revenue funds are established to account for proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The term proceeds of specific sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. A description of the School District's special revenue funds follows:

Food Service Fund

This fund accounts for and reports the charges and services and operating grants restricted to the food service operations of the School District.

Local Grants Fund

This fund accounts for and reports restricted local grants received from private foundations and individuals for various purposes such as math workshops, math enrichment or enhanced technology instruction.

Rotary Fund

This fund reflects resources that belong to the student bodies of the various schools and are used for field trips and college entrance exam testing.

Internal Services Rotary Fund

This fund accounts for operations that provide goods or services to other governmental units on a cost-reimbursement basis.

Classroom Facilities Maintenance Fund

This fund is used to account for the proceeds of a levy that are restricted for the maintenance of facilities.

Student Activities Fund

This fund reflects resources that belong to the student bodies of the various schools.

Athletics Fund

This fund accounts for and reports revenues from student activity programs which have student participation in the activity but do not have students involved in the management of the program. The amounts are restricted for the costs (except supplemental coaching contracts) of the School District's student activity programs.

Auxiliary Services Fund

This fund accounts for and reports restricted State monies used to provide services and materials to pupils attending non-public schools within the School District.

Data Communications Fund

This fund accounts for and reports restricted State monies to install and provide for wiring to all classrooms in the State and provide a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

Student Wellness and Success Fund

This fund accounts for State funds to help districts and schools support their students' academic achievement through mental health counseling, wrap-around services, mentoring and after-school programs.

Miscellaneous State Grants Fund

This fund accounts for and reports restricted State monies for Mercer Elementary School for a parent involvement program.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

Nonmajor Special Revenue Funds (Continued)

Title VI-B Fund

This fund accounts for and reports restricted 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 level.

School Improvement Fund

This fund accounts for and reports activities related to school districts looking to improve the teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

Title III Fund

This fund accounts for and reports restricted Federal monies used to assist the School District in providing programs for children learning English as a second language.

Title I Fund

This fund accounts for and reports Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Title IV-A Fund

This fund is to account for Federal money restricted for providing students with a well-rounded education, supporting safe and healthy students and supporting the effective use of technology.

Preschool Disability Fund

This fund accounts for and reports restricted State monies received for the improvement and expansion of services for handicapped children ages three through five years

Title II-A Fund

This fund accounts for and reports restricted Federal monies to hire additional classroom teachers grades 1 through 3 so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund

This fund accounts for federal monies which support academic and enrichment programs for the student body.

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

Uniform School Supplies Fund

This fund accounts for and reports the purchase and sale of school supplies assigned for school purposes or activities connected with the School District.

Public School Support Fund

This fund accounts for and reports school site sales revenue and expenditures assigned for field trips, assemblies and other activity costs.

Shaker Merchandise Fund

This fund accounts for and reports funds received from the sale of merchandise to students, faculty, staff and the community which is assigned to purchase additional merchandise.

Fringe Benefits Fund

This fund accumulates and pays employer share of non-health care fringe benefits.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025

	Food Service	Local Grants	Rotary	Internal Service Rotary
Assets:				
Equity in pooled cash and cash equivalents	\$ 209,848	\$ 68,266	\$ 202,785	\$ 50,430
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Prepayments	-	-	-	
Total assets	<u>\$ 209,848</u>	<u>\$ 68,266</u>	<u>\$ 202,785</u>	<u>\$ 50,430</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 4,470
Accrued wages and benefits payable	-	-	-	-
Intergovernmental payable	-	-	-	-
Pension and postemployment benefits payable	-	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,470</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Prepays	-	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	209,848	-	-	-
Non-public schools	-	-	-	-
Extracurricular activities	-	-	-	-
Other purposes	-	68,266	202,785	45,960
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>209,848</u>	<u>68,266</u>	<u>202,785</u>	<u>45,960</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 209,848</u>	<u>\$ 68,266</u>	<u>\$ 202,785</u>	<u>\$ 50,430</u>

Classroom Facilities Maintenance	Student Activities	Athletics	Auxiliary Services	Miscellaneous State Grants
\$ 724,758	\$ 277,426	\$ 30,080	\$ 17	\$ -
289,371	-	-	-	-
-	-	-	-	-
-	-	4,292	-	-
<u>\$ 1,014,129</u>	<u>\$ 277,426</u>	<u>\$ 34,372</u>	<u>\$ 17</u>	<u>\$ -</u>
\$ -	\$ 543	\$ 5,525	\$ -	\$ -
-	-	-	-	3,634
-	-	-	-	52
-	-	-	-	781
-	-	-	-	-
-	-	-	-	520,150
-	-	-	-	68,260
<u>-</u>	<u>543</u>	<u>5,525</u>	<u>-</u>	<u>592,877</u>
211,613	-	-	-	-
52,112	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>263,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	4,292	-	-
750,404	-	-	-	-
-	-	-	-	-
-	-	-	17	-
-	276,883	24,555	-	-
-	-	-	-	-
-	-	-	-	(592,877)
<u>750,404</u>	<u>276,883</u>	<u>28,847</u>	<u>17</u>	<u>(592,877)</u>
<u>\$ 1,014,129</u>	<u>\$ 277,426</u>	<u>\$ 34,372</u>	<u>\$ 17</u>	<u>\$ -</u>

(Continued)

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2025

	Title VI-B	Title III	Title I
Assets:			
Equity in pooled cash and cash equivalents	\$ 19,909	\$ -	\$ 34,836
Receivables:			
Property taxes	-	-	-
Intergovernmental	172,697	16,810	-
Prepayments	-	-	-
Total assets	<u>\$ 192,606</u>	<u>\$ 16,810</u>	<u>\$ 34,836</u>
Liabilities:			
Accounts payable	\$ 1,445	\$ -	\$ -
Accrued wages and benefits payable	155,515	-	9,604
Intergovernmental payable	2,243	-	138
Pension and postemployment benefits payable	33,403	-	2,063
Interfund loans payable	-	-	-
Due to other funds	-	16,810	-
Unearned revenue	-	-	23,031
Total liabilities	<u>192,606</u>	<u>16,810</u>	<u>34,836</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	-	-	-
Delinquent property tax revenue not available	-	-	-
Intergovernmental revenue not available	172,697	16,810	-
Total deferred inflows of resources	<u>172,697</u>	<u>16,810</u>	<u>-</u>
Fund balances:			
Nonspendable:			
Prepays	-	-	-
Restricted:			
Classroom facilities maintenance	-	-	-
Food service operations	-	-	-
Non-public schools	-	-	-
Extracurricular activities	-	-	-
Other purposes	-	-	-
Unassigned (deficit)	(172,697)	(16,810)	-
Total fund balances (deficit)	<u>(172,697)</u>	<u>(16,810)</u>	<u>-</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 192,606</u>	<u>\$ 16,810</u>	<u>\$ 34,836</u>

Title IV-A	Preschool Disability	Title II-A	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 1,618,355
-	-	-	289,371
899	21,756	97,350	309,512
-	-	-	4,292
<u>\$ 899</u>	<u>\$ 21,756</u>	<u>\$ 97,350</u>	<u>\$ 2,221,530</u>
\$ -	\$ -	\$ -	\$ 11,983
-	-	-	168,753
-	-	-	2,433
-	-	-	36,247
-	21,756	-	21,756
899	-	97,350	635,209
-	-	-	91,291
<u>899</u>	<u>21,756</u>	<u>97,350</u>	<u>967,672</u>
-	-	-	211,613
-	-	-	52,112
<u>899</u>	<u>21,756</u>	<u>-</u>	<u>212,162</u>
<u>899</u>	<u>21,756</u>	<u>-</u>	<u>475,887</u>
-	-	-	4,292
-	-	-	750,404
-	-	-	209,848
-	-	-	17
-	-	-	301,438
-	-	-	317,011
<u>(899)</u>	<u>(21,756)</u>	<u>-</u>	<u>(805,039)</u>
<u>(899)</u>	<u>(21,756)</u>	<u>-</u>	<u>777,971</u>
<u>\$ 899</u>	<u>\$ 21,756</u>	<u>\$ 97,350</u>	<u>\$ 2,221,530</u>

**SHAKER HEIGHTS 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, 2025

	Food Service	Local Grants	Rotary	Internal Service Rotary
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,438,592	5,000	-	-
Investment earnings	14,173	15	-	-
Tuition and fees	-	-	-	1,042
Extracurricular	-	-	131,664	137,296
Charges for services	741,078	-	-	244
Contributions and donations	-	3,000	-	-
Miscellaneous	34,679	-	-	-
Total revenues	<u>2,228,522</u>	<u>8,015</u>	<u>131,664</u>	<u>138,582</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	5,618	53,158	54,518
Special	-	-	-	-
Vocational	-	-	-	-
Other	-	-	-	-
Support services:				
Pupil	-	-	83,483	-
Instructional staff	-	1,154	-	-
Administration	-	-	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	1,313
Operation of non-instructional services:				
Food service operations	2,121,855	-	-	-
Other non-instructional services	-	-	-	-
Extracurricular activities	-	2,250	-	92,555
Total expenditures	<u>2,121,855</u>	<u>9,022</u>	<u>136,641</u>	<u>148,386</u>
Excess (deficiency) of revenues over (under) expenditures	<u>106,667</u>	<u>(1,007)</u>	<u>(4,977)</u>	<u>(9,804)</u>
Other financing sources:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	106,667	(1,007)	(4,977)	(9,804)
Fund balances (deficit) at beginning of year	103,181	69,273	207,762	55,764
Fund balances (deficit) at end of year	<u>\$ 209,848</u>	<u>\$ 68,266</u>	<u>\$ 202,785</u>	<u>\$ 45,960</u>

Classroom Facilities Maintenance	Student Activities	Athletics	Auxiliary Services	Miscellaneous State Grants
\$ 460,239	\$ -	\$ -	\$ -	\$ -
5,706	-	-	186,246	-
-	-	-	1,262	-
-	-	-	-	-
-	151,194	240,329	-	-
-	-	-	-	-
-	28,651	12,728	-	-
-	-	4,210	-	-
<u>465,945</u>	<u>179,845</u>	<u>257,267</u>	<u>187,508</u>	<u>-</u>
-	505	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	13,391
-	-	-	-	-
-	-	-	-	-
-	-	-	-	599,461
-	-	-	-	-
-	50	-	192,993	-
-	200,408	702,270	-	-
<u>-</u>	<u>200,963</u>	<u>702,270</u>	<u>192,993</u>	<u>612,852</u>
<u>465,945</u>	<u>(21,118)</u>	<u>(445,003)</u>	<u>(5,485)</u>	<u>(612,852)</u>
-	-	415,000	-	-
-	-	415,000	-	-
465,945	(21,118)	(30,003)	(5,485)	(612,852)
284,459	298,001	58,850	5,502	19,975
<u>\$ 750,404</u>	<u>\$ 276,883</u>	<u>\$ 28,847</u>	<u>\$ 17</u>	<u>\$ (592,877)</u>

(Continued)

**SHAKER HEIGHTS 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, 2025

	Title VI-B	School Improvement	Title III	Title I
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,413,943	96,965	1,690	798,645
Investment earnings	-	-	-	-
Tuition and fees	-	-	-	-
Extracurricular	-	-	-	-
Charges for services	-	-	-	-
Contributions and donations	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,413,943</u>	<u>96,965</u>	<u>1,690</u>	<u>798,645</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	586,897
Special	1,360,112	-	16,928	-
Vocational	-	-	-	42,861
Other	54,992	-	-	-
Support services:				
Pupil	-	-	-	118,104
Instructional staff	-	-	-	3,027
Administration	56,893	96,965	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	19,723	-	-	16,969
Extracurricular activities	-	-	-	-
Total expenditures	<u>1,491,720</u>	<u>96,965</u>	<u>16,928</u>	<u>767,858</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(77,777)</u>	<u>-</u>	<u>(15,238)</u>	<u>30,787</u>
Other financing sources:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(77,777)	-	(15,238)	30,787
Fund balances (deficit) at beginning of year	<u>(94,920)</u>	<u>-</u>	<u>(1,572)</u>	<u>(30,787)</u>
Fund balances (deficit) at end of year	<u><u>\$ (172,697)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (16,810)</u></u>	<u><u>\$ -</u></u>

Title IV-A	Preschool Disability	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 460,239
19,051	1,870	97,350	26,962	4,092,020
-	-	-	-	15,450
-	-	-	-	1,042
-	-	-	-	660,483
-	-	-	-	741,322
-	-	-	-	44,379
-	-	-	-	38,889
19,051	1,870	97,350	26,962	6,053,824
-	-	94,205	26,962	821,863
-	21,756	-	-	1,398,796
-	-	-	-	42,861
-	-	-	-	54,992
-	-	-	-	201,587
-	-	-	-	17,572
-	-	-	-	153,858
17,330	-	-	-	17,330
-	-	-	-	600,774
-	-	-	-	2,121,855
2,620	-	3,145	-	235,500
-	-	-	-	997,483
19,950	21,756	97,350	26,962	6,664,471
(899)	(19,886)	-	-	(610,647)
-	-	-	-	415,000
-	-	-	-	415,000
(899)	(19,886)	-	-	(195,647)
-	(1,870)	-	-	973,618
\$ (899)	\$ (21,756)	\$ -	\$ -	\$ 777,971

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Food Service Fund			
Budgetary revenues and other financing sources	\$ 2,510,000	\$ 2,088,204	\$ (421,796)
Budgetary expenditures and other financing uses	<u>2,606,119</u>	<u>2,175,762</u>	<u>(430,357)</u>
Net change in fund balances	(96,119)	(87,558)	8,561
Budgetary fund balance (deficit) at beginning of year	(2,938)	(2,938)	-
Prior year encumbrances appropriated	<u>106,119</u>	<u>106,119</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 7,062</u></u>	<u><u>\$ 15,623</u></u>	<u><u>\$ 8,561</u></u>
Local Grants Fund			
Budgetary revenues and other financing sources	\$ 125,000	\$ 8,015	\$ (116,985)
Budgetary expenditures and other financing uses	<u>125,000</u>	<u>9,772</u>	<u>(115,228)</u>
Net change in fund balances	-	(1,757)	(1,757)
Budgetary fund balance at beginning of year	<u>69,273</u>	<u>69,273</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 69,273</u></u>	<u><u>\$ 67,516</u></u>	<u><u>\$ (1,757)</u></u>
Rotary Fund			
Budgetary revenues and other financing sources	\$ 150,000	\$ 131,664	\$ (18,336)
Budgetary expenditures and other financing uses	<u>169,918</u>	<u>142,421</u>	<u>(27,497)</u>
Net change in fund balances	(19,918)	(10,757)	9,161
Budgetary fund balance at beginning of year	187,844	187,844	-
Prior year encumbrances appropriated	<u>19,918</u>	<u>19,918</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 187,844</u></u>	<u><u>\$ 197,005</u></u>	<u><u>\$ 9,161</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Internal Services Rotary Fund			
Budgetary revenues and other financing sources	\$ 200,000	\$ 138,582	\$ (61,418)
Budgetary expenditures and other financing uses	<u>203,840</u>	<u>165,427</u>	<u>(38,413)</u>
Net change in fund balances	(3,840)	(26,845)	(23,005)
Budgetary fund balance at beginning of year	54,984	54,984	-
Prior year encumbrances appropriated	<u>3,840</u>	<u>3,840</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 54,984</u></u>	<u><u>\$ 31,979</u></u>	<u><u>\$ (23,005)</u></u>
Classroom Facilities Maintenance Fund			
Budgetary revenues and other financing sources	\$ 239,663	\$ 467,110	\$ 227,447
Budgetary expenditures and other financing uses	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
Net change in fund balances	139,663	467,110	327,447
Budgetary fund balance at beginning of year	<u>257,648</u>	<u>257,648</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 397,311</u></u>	<u><u>\$ 724,758</u></u>	<u><u>\$ 327,447</u></u>
Student Activities Fund			
Budgetary revenues and other financing sources	\$ 300,000	\$ 179,845	\$ (120,155)
Budgetary expenditures and other financing uses	<u>361,213</u>	<u>221,474</u>	<u>(139,739)</u>
Net change in fund balances	(61,213)	(41,629)	19,584
Budgetary fund balance at beginning of year	287,066	287,066	-
Prior year encumbrances appropriated	<u>11,213</u>	<u>11,213</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 237,066</u></u>	<u><u>\$ 256,650</u></u>	<u><u>\$ 19,584</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Athletics Fund			
Budgetary revenues and other financing sources	\$ 1,000,000	\$ 672,268	\$ (327,732)
Budgetary expenditures and other financing uses	<u>863,941</u>	<u>741,336</u>	<u>(122,605)</u>
Net change in fund balances	136,059	(69,068)	(205,127)
Budgetary fund balance at beginning of year	47,859	47,859	-
Prior year encumbrances appropriated	<u>13,941</u>	<u>13,941</u>	<u>-</u>
Budgetary fund balance (deficit) at end of year	<u><u>\$ 197,859</u></u>	<u><u>\$ (7,268)</u></u>	<u><u>\$ (205,127)</u></u>
Auxiliary Services Fund			
Budgetary revenues and other financing sources	\$ 200,000	\$ 187,507	\$ (12,493)
Budgetary expenditures and other financing uses	<u>204,980</u>	<u>192,992</u>	<u>(11,988)</u>
Net change in fund balances	(4,980)	(5,485)	(505)
Budgetary fund balance at beginning of year	522	522	-
Prior year encumbrances appropriated	<u>4,980</u>	<u>4,980</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 522</u></u>	<u><u>\$ 17</u></u>	<u><u>\$ (505)</u></u>
Data Communications Fund			
Budgetary revenues and other financing sources	\$ 16,000	\$ -	\$ (16,000)
Budgetary expenditures and other financing uses	<u>16,000</u>	<u>-</u>	<u>(16,000)</u>
Net change in fund balances	-	-	-
Budgetary fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Student Wellness and Success Fund			
Budgetary expenditures and other financing uses	\$ -	\$ 699	\$ 699
Net change in fund balances	-	(699)	(699)
Budgetary fund balance at beginning of year	-	-	-
Budgetary fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (699)</u>	<u>\$ (699)</u>
 Miscellaneous State Grants Fund			
Budgetary revenues and other financing sources	\$ 1,221,144	\$ 57,240	\$ (1,163,904)
Budgetary expenditures and other financing uses	<u>1,221,144</u>	<u>597,365</u>	<u>(623,779)</u>
Net change in fund balances	-	(540,125)	(540,125)
Budgetary fund balance (deficit) at beginning of year	(576,169)	(576,169)	-
Prior year encumbrances appropriated	<u>596,144</u>	<u>596,144</u>	<u>-</u>
Budgetary fund balance (deficit) at end of year	<u>\$ 19,975</u>	<u>\$ (520,150)</u>	<u>\$ (540,125)</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts Budgetary Basis</u>	<u>Variance with Final Budget - over (under) Actual Amounts</u>
	<u>Final</u>		
Title VI-B Fund			
Budgetary revenues and other financing sources	\$ 1,878,160	\$ 1,573,910	\$ (304,250)
Budgetary expenditures and other financing uses	<u>1,700,000</u>	<u>1,447,837</u>	<u>(252,163)</u>
Net change in fund balances	178,160	126,073	(52,087)
Budgetary fund balance (deficit) at beginning of year	<u>(107,609)</u>	<u>(107,609)</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 70,551</u></u>	<u><u>\$ 18,464</u></u>	<u><u>\$ (52,087)</u></u>
School Improvement Fund			
Budgetary revenues and other financing sources	\$ 100,000	\$ 96,965	\$ (3,035)
Budgetary expenditures and other financing uses	<u>96,965</u>	<u>96,965</u>	<u>-</u>
Net change in fund balances	3,035	-	(3,035)
Budgetary fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 3,035</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (3,035)</u></u>
Title III Fund			
Budgetary revenues and other financing sources	\$ 28,746	\$ 3,496	\$ (25,250)
Budgetary expenditures and other financing uses	<u>25,000</u>	<u>19,403</u>	<u>(5,597)</u>
Net change in fund balances	3,746	(15,907)	(19,653)
Budgetary fund balance (deficit) at beginning of year	<u>(903)</u>	<u>(903)</u>	<u>-</u>
Budgetary fund balance (deficit) at end of year	<u><u>\$ 2,843</u></u>	<u><u>\$ (16,810)</u></u>	<u><u>\$ (19,653)</u></u>
Title I Fund			
Budgetary revenues and other financing sources	\$ 1,111,836	\$ 911,266	\$ (200,570)
Budgetary expenditures and other financing uses	<u>925,563</u>	<u>814,002</u>	<u>(111,561)</u>
Net change in fund balances	186,273	97,264	(89,009)
Budgetary fund balance (deficit) at beginning of year	(62,991)	(62,991)	-
Prior year encumbrances appropriated	<u>563</u>	<u>563</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 123,845</u></u>	<u><u>\$ 34,836</u></u>	<u><u>\$ (89,009)</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Title IV-A Fund			
Budgetary revenues and other financing sources	\$ 206,615	\$ 76,926	\$ (129,689)
Budgetary expenditures and other financing uses	<u>101,720</u>	<u>19,950</u>	<u>(81,770)</u>
Net change in fund balances	104,895	56,976	(47,919)
Budgetary fund balance (deficit) at beginning of year	(59,595)	(59,595)	-
Prior year encumbrances appropriated	<u>1,720</u>	<u>1,720</u>	<u>-</u>
Budgetary fund balance (deficit) at end of year	<u><u>\$ 47,020</u></u>	<u><u>\$ (899)</u></u>	<u><u>\$ (47,919)</u></u>
Preschool Disability Fund			
Budgetary revenues and other financing sources	\$ 39,908	\$ 26,665	\$ (13,243)
Budgetary expenditures and other financing uses	<u>35,000</u>	<u>25,192</u>	<u>(9,808)</u>
Net change in fund balances	4,908	1,473	(3,435)
Budgetary fund balance (deficit) at beginning of year	<u>(1,473)</u>	<u>(1,473)</u>	<u>-</u>
Budgetary fund balance (deficit) at end of year	<u><u>\$ 3,435</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (3,435)</u></u>
Title II-A Fund			
Budgetary revenues and other financing sources	\$ 359,908	\$ 29,384	\$ (330,524)
Budgetary expenditures and other financing uses	<u>200,000</u>	<u>97,350</u>	<u>(102,650)</u>
Net change in fund balances	159,908	(67,966)	(227,874)
Budgetary fund balance (deficit) at beginning of year	<u>(29,384)</u>	<u>(29,384)</u>	<u>-</u>
Budgetary fund balance (deficit) at end of year	<u><u>\$ 130,524</u></u>	<u><u>\$ (97,350)</u></u>	<u><u>\$ (227,874)</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Miscellaneous Federal Grants Fund			
Budgetary revenues and other financing sources	\$ 134,202	\$ 28,360	\$ (105,842)
Budgetary expenditures and other financing uses	<u>100,000</u>	<u>26,962</u>	<u>(73,038)</u>
Net change in fund balances	34,202	1,398	(32,804)
Budgetary fund balance (deficit) at beginning of year	<u>(1,398)</u>	<u>(1,398)</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 32,804</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (32,804)</u></u>
Uniform School Supplies Fund			
Budgetary revenues and other financing sources	\$ 150,000	\$ 44,252	\$ (105,748)
Budgetary expenditures and other financing uses	<u>100,000</u>	<u>44,597</u>	<u>(55,403)</u>
Net change in fund balances	50,000	(345)	(50,345)
Budgetary fund balance at beginning of year	<u>345</u>	<u>345</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 50,345</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (50,345)</u></u>
Public School Support Fund			
Budgetary revenues and other financing sources	\$ 325,000	\$ 157,937	\$ (167,063)
Budgetary expenditures and other financing uses	<u>339,395</u>	<u>174,741</u>	<u>(164,654)</u>
Net change in fund balances	(14,395)	(16,804)	(2,409)
Budgetary fund balance at beginning of year	139,584	139,584	-
Prior year encumbrances appropriated	<u>14,395</u>	<u>14,395</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 139,584</u></u>	<u><u>\$ 137,175</u></u>	<u><u>\$ (2,409)</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Shaker Merchandise Fund			
Budgetary revenues and other financing sources	\$ 15,000	\$ 331	\$ (14,669)
Budgetary expenditures and other financing uses	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Net change in fund balances	(10,000)	331	10,331
Budgetary fund balance at beginning of year	<u>26,706</u>	<u>26,706</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 16,706</u></u>	<u><u>\$ 27,037</u></u>	<u><u>\$ 10,331</u></u>
Fringe Benefits Fund			
Budgetary revenues and other financing sources	\$ 1,750,000	\$ 796,770	\$ (953,230)
Budgetary expenditures and other financing uses	<u>2,350,815</u>	<u>1,576,069</u>	<u>(774,746)</u>
Net change in fund balances	(600,815)	(779,299)	(178,484)
Budgetary fund balance at beginning of year	2,442,053	2,442,053	-
Prior year encumbrances appropriated	<u>815</u>	<u>815</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 1,842,053</u></u>	<u><u>\$ 1,663,569</u></u>	<u><u>\$ (178,484)</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

Nonmajor Debt Service Fund

The Debt Service Funds are used to account for financial resources that are restricted, committed or assigned to expenditure for principal retirement. The following is the description of the School District's nonmajor debt service fund:

Bond Retirement

The bond retirement fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain long-term obligations from governmental resources when the government is obligated in some manner for payment.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Bond Retirement Fund			
Budgetary revenues and other financing sources	\$ 7,503,779	\$ 4,658,219	\$ (2,845,560)
Budgetary expenditures and other financing uses	<u>9,500,000</u>	<u>9,404,561</u>	<u>(95,439)</u>
Net change in fund balances	(1,996,221)	(4,746,342)	(2,750,121)
Budgetary fund balance at beginning of year	<u>15,241,827</u>	<u>15,241,827</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 13,245,606</u></u>	<u><u>\$ 10,495,485</u></u>	<u><u>\$ (2,750,121)</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

Nonmajor Capital Projects Funds

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects including equipment purchases. The following is the description of the School District's nonmajor capital project fund:

Permanent Improvement

This fund accounts for all transactions related to the acquiring, constructing or improving facilities.

Building

This fund accounts for revenues restricted for various capital improvements within the School District.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2025

	Permanent Improvement	Building	Total Nonmajor Capital Projects
Assets:			
Equity in pooled cash and cash equivalents	\$ 5,833,379	\$ 31,342,177	\$ 37,175,556
Receivables:			
Property taxes	1,127,745	-	1,127,745
Accrued interest	-	163,543	163,543
Total assets	<u>\$ 6,961,124</u>	<u>\$ 31,505,720</u>	<u>\$ 38,466,844</u>
Liabilities:			
Contracts payable	<u>\$ -</u>	<u>\$ 3,189,486</u>	<u>\$ 3,189,486</u>
Total liabilities	<u>-</u>	<u>3,189,486</u>	<u>3,189,486</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	933,352	-	933,352
Delinquent property tax revenue not available	130,279	-	130,279
Accrued interest not available	-	110,971	110,971
Total deferred inflows of resources	<u>1,063,631</u>	<u>110,971</u>	<u>1,174,602</u>
Fund balances:			
Restricted:			
Capital projects	<u>5,897,493</u>	<u>28,205,263</u>	<u>34,102,756</u>
Total fund balances	<u>5,897,493</u>	<u>28,205,263</u>	<u>34,102,756</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 6,961,124</u>	<u>\$ 31,505,720</u>	<u>\$ 38,466,844</u>

**SHAKER HEIGHTS 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, 2025

	Permanent Improvement	<i>(formerly major)</i> Building	Total Nonmajor Capital Projects
Revenues:			
Property taxes	\$ 1,004,502	\$ -	\$ 1,004,502
Intergovernmental	12,525	-	12,525
Investment earnings	-	1,950,927	1,950,927
Miscellaneous	-	36,545	36,545
Total revenues	<u>1,017,027</u>	<u>1,987,472</u>	<u>3,004,499</u>
Expenditures:			
Current:			
Instruction:			
Regular	-	85,957	85,957
Support services:			
Fiscal	(5,500)	22,035	16,535
Operations and maintenance	472,033	-	472,033
Facilities acquisition and construction	-	11,748,917	11,748,917
Debt service:			
Principal retirement	905,000	74,847	979,847
Interest	763,515	5,810	769,325
Total expenditures	<u>2,135,048</u>	<u>11,937,566</u>	<u>14,072,614</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,118,021)</u>	<u>(9,950,094)</u>	<u>(11,068,115)</u>
Other financing sources:			
Sale of capital assets	-	61,019	61,019
Capital lease transaction	-	160,499	160,499
Total other financing sources	<u>-</u>	<u>221,518</u>	<u>221,518</u>
Change in fund balances	(1,118,021)	(9,728,576)	(10,846,597)
Fund balances as previously reported	7,015,514	-	7,015,514
Adjustment - changes in major fund to nonmajor fund	<u>-</u>	<u>37,933,839</u>	<u>37,933,839</u>
Fund balances at beginning of year, as adjusted	<u>7,015,514</u>	<u>37,933,839</u>	<u>44,949,353</u>
Fund balances at end of year	<u><u>\$ 5,897,493</u></u>	<u><u>\$ 28,205,263</u></u>	<u><u>\$ 34,102,756</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Permanent Improvement Fund			
Budgetary revenues and other financing sources	\$ 1,030,001	\$ 1,019,940	\$ (10,061)
Budgetary expenditures and other financing uses	<u>5,000,000</u>	<u>2,908,115</u>	<u>(2,091,885)</u>
Net change in fund balances	(3,969,999)	(1,888,175)	2,081,824
Budgetary fund balance at beginning of year	<u>6,948,487</u>	<u>6,948,487</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 2,978,488</u></u>	<u><u>\$ 5,060,312</u></u>	<u><u>\$ 2,081,824</u></u>
Building Fund			
Budgetary revenues and other financing sources	\$ 1,500,000	\$ 1,876,231	\$ 376,231
Budgetary expenditures and other financing uses	<u>31,300,200</u>	<u>17,956,819</u>	<u>(13,343,381)</u>
Net change in fund balances	(29,800,200)	(16,080,588)	13,719,612
Budgetary fund balance at beginning of year	36,426,741	36,426,741	-
Prior year encumbrances appropriated	<u>1,300,200</u>	<u>1,300,200</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 7,926,741</u></u>	<u><u>\$ 21,646,353</u></u>	<u><u>\$ 13,719,612</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

Internal Service Funds

Internal Service Funds are established to account for the providing of goods or services by one department to other departments of the School District on a cost reimbursement basis. The following are the School District's internal service fund types:

Self Insurance

This fund accounts for all health insurance payments, administrative costs and reserves for the self-insured prescription drug coverage and the potential obligation under the contingent premium health and dental insurance plan.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final Budget - over (under) Actual Amounts</u>
Self-Insurance Fund			
Budgetary revenues and other financing sources	\$ 19,618,637	\$ 18,455,180	\$ (1,163,457)
Budgetary expenditures and other financing uses	<u>19,000,000</u>	<u>17,650,241</u>	<u>(1,349,759)</u>
Net change in fund balances	618,637	804,939	186,302
Budgetary fund balance at beginning of year	<u>1,418,638</u>	<u>1,418,638</u>	<u>-</u>
Budgetary fund balance at end of year	<u><u>\$ 2,037,275</u></u>	<u><u>\$ 2,223,577</u></u>	<u><u>\$ 186,302</u></u>

SUPPLEMENTAL SCHEDULES
ENTITY-WIDE ACCRUAL STATEMENTS
REPORTING WITH GASB 68 AND GASB 75
AND WITHOUT GASB 68 AND GASB 75

Background:

The net pension liability (NPL) is the largest single liability reported by the School District at June 30 and is reported pursuant to GASB Statement 68, Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement 27. In a prior period, the School District also adopted 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 School 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.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/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 asset/liability to equal the School 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 School District is not responsible for certain key factors affecting the balance of these assets/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 asset/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.

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

The following schedules are summarized accrual basis financial statements for the fiscal year ending June 30, that report the financial statements including the impact of GASB 68 and GASB 75 and excluding the impact of GASB 68 and GASB 75.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SUPPLEMENTAL SCHEDULE
SCHEDULE OF NET POSITION - INCLUDING GASB 68 AND GASB 75
JUNE 30, 2025

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 188,190,697
Restricted equity in pooled cash and cash equivalents	353,070
Receivables:	
Property taxes	88,662,452
Payment in lieu of taxes	526,959
Accounts	187,570
Accrued interest	1,074,518
Intergovernmental	47,759,957
Prepayments	260,860
Net OPEB asset	7,076,045
Capital assets:	
Nondepreciable capital assets	14,575,547
Depreciable capital assets, net	73,536,231
Capital assets, net	88,111,778
Total assets	422,203,906
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	29,871
Pension	20,108,070
OPEB	3,511,873
Total deferred outflows of resources	23,649,814
Liabilities:	
Accounts payable	233,866
Contracts payable	3,797,520
Accrued wages and benefits payable	11,910,380
Compensated absences payable	204,375
Intergovernmental payable	283,985
Pension and postemployment benefits payable	1,870,382
Accrued interest payable	294,050
Unearned revenue	91,291
Claims payable	2,086,400
Payroll withholdings payable	1,857,194
Long-term liabilities:	
Due within one year	6,165,763
Due in more than one year:	
Net pension liability	94,556,571
Net OPEB liability	4,588,986
Other amounts due in more than one year	186,142,558
Total liabilities	314,083,321
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	72,893,533
Payment in lieu of taxes levied for the next fiscal year	526,959
Pension	10,757,218
OPEB	12,675,586
Total deferred inflows of resources	96,853,296
Net position:	
Net investment in capital assets	52,570,652
Restricted for:	
Capital projects	60,917,919
OPEB	7,076,045
Classroom facilities maintenance	802,516
Debt service	733,610
Food service operations	209,848
Student activities	305,730
Other purposes	670,081
Unrestricted (deficit)	(88,369,298)
Total net position	\$ 34,917,103

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SUPPLEMENTAL SCHEDULE
SCHEDULE OF NET POSITION - EXCLUDING GASB 68 AND GASB 75
JUNE 30, 2025

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	\$ 188,190,697
Restricted equity in pooled cash and cash equivalents	353,070
Receivables:	
Property taxes	88,662,452
Payment in lieu of taxes	526,959
Accounts	187,570
Accrued interest	1,074,518
Intergovernmental	47,759,957
Prepayments	260,860
Net OPEB asset	-
Capital assets:	
Nondepreciable capital assets	14,575,547
Depreciable capital assets, net	73,536,231
Capital assets, net	88,111,778
Total assets	415,127,861
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	29,871
Pension	-
OPEB	-
Total deferred outflows of resources	29,871
Liabilities:	
Accounts payable	233,866
Contracts payable	3,797,520
Accrued wages and benefits payable	11,910,380
Compensated absences payable	204,375
Intergovernmental payable	283,985
Pension and postemployment benefits payable	1,870,382
Accrued interest payable	294,050
Unearned revenue	91,291
Claims payable	2,086,400
Payroll withholdings payable	1,857,194
Long-term liabilities:	
Due within one year	6,165,763
Due in more than one year:	
Net pension liability	-
Net OPEB liability	-
Other amounts due in more than one year	186,142,558
Total liabilities	214,937,764
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	72,893,533
Payment in lieu of taxes levied for the next fiscal year	526,959
Pension	-
OPEB	-
Total deferred inflows of resources	73,420,492
Net position:	
Net investment in capital assets	52,570,652
Restricted for:	
Capital projects	60,917,919
OPEB	-
Classroom facilities maintenance	802,516
Debt service	733,610
Food service operations	209,848
Student activities	305,730
Other purposes	670,081
Unrestricted (deficit)	10,589,120
Total net position	\$ 126,799,476

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SUPPLEMENTAL SCHEDULE
SCHEDULE OF ACTIVITIES - INCLUDING GASB 68 AND GASB 75
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 48,774,559	\$ 1,125,195	\$ 729,756	\$ (46,919,608)
Special	18,648,811	449,649	2,869,370	(15,329,792)
Vocational	536,479	35,826	82,252	(418,401)
Other	973,650	-	54,992	(918,658)
Support services:				
Pupil	8,472,289	80,442	511,914	(7,879,933)
Instructional staff	5,742,071	-	4,138	(5,737,933)
Board of education	45,759	-	-	(45,759)
Administration	7,992,152	24,723	153,858	(7,813,571)
Fiscal	2,601,561	-	-	(2,601,561)
Business	1,319,351	-	-	(1,319,351)
Operations and maintenance	14,283,611	75,256	16,549	(14,191,806)
Pupil transportation	6,263,216	1,226	764,871	(5,497,119)
Central	2,331,910	-	-	(2,331,910)
Operation of non-instructional services:				
Food service operations	2,139,503	741,078	1,487,444	89,019
Other non-instructional services	261,320	38	230,335	(30,947)
Extracurricular activities	2,630,752	527,237	47,509	(2,056,006)
Interest	6,193,659	-	-	(6,193,659)
Totals	\$ 129,210,653	\$ 3,060,670	\$ 6,952,988	(119,196,995)
General revenues:				
Property taxes levied for:				
General purposes				76,202,796
Debt service				4,299,055
Capital outlay				1,067,315
Classroom facilities maintenance				485,364
Payments in lieu of taxes				526,959
Grants and entitlements not restricted				
to specific programs				24,296,314
Investment earnings				10,520,692
Miscellaneous				107,877
Total general revenues				<u>117,506,372</u>
Change in net position				(1,690,623)
Net position previously reported				67,788,202
Restatement - change in accounting principle				(31,180,476)
Net position at beginning of year, restated				<u>36,607,726</u>
Net position at end of year				<u><u>\$ 34,917,103</u></u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SUPPLEMENTAL SCHEDULE
SCHEDULE OF ACTIVITIES - EXCLUDING GASB 68 AND GASB 75
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 52,051,165	\$ 1,125,195	\$ 729,756	\$ (50,196,214)
Special	19,716,641	449,649	2,869,370	(16,397,622)
Vocational	556,952	35,826	82,252	(438,874)
Other	1,032,878	-	54,992	(977,886)
Support services:				
Pupil	9,022,265	80,442	511,914	(8,429,909)
Instructional staff	6,063,751	-	4,138	(6,059,613)
Board of education	45,993	-	-	(45,993)
Administration	8,500,517	24,723	153,858	(8,321,936)
Fiscal	2,673,514	-	-	(2,673,514)
Business	1,369,122	-	-	(1,369,122)
Operations and maintenance	14,850,065	75,256	16,549	(14,758,260)
Pupil transportation	6,444,321	1,226	764,871	(5,678,224)
Central	2,442,950	-	-	(2,442,950)
Operation of non-instructional services:				
Food service operations	2,139,503	741,078	1,487,444	89,019
Other non-instructional services	277,286	38	230,335	(46,913)
Extracurricular activities	2,757,678	527,237	47,509	(2,182,932)
Interest	6,193,659	-	-	(6,193,659)
Totals	\$ 136,138,260	\$ 3,060,670	\$ 6,952,988	(126,124,602)
General revenues:				
Property taxes levied for:				
General purposes				76,202,796
Debt service				4,299,055
Capital outlay				1,067,315
Classroom facilities maintenance				485,364
Payments in lieu of taxes				526,959
Grants and entitlements not restricted				
to specific programs				24,296,314
Investment earnings				10,520,692
Miscellaneous				107,877
Total general revenues				117,506,372
Change in net position				(8,618,230)
Net position previously reported				166,598,182
Restatement - change in accounting principle				(31,180,476)
Net position at beginning of year, restated				135,417,706
Net position at end of year				\$ 126,799,476

STATISTICAL SECTION

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

This part of the Shaker Heights 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>Table of Contents</u>	<u>Pages</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.	S-2 - S-13
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	S-14 - S-26
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.	S-27 - S-31
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.	S-32 - S-34
Operating Information	
These schedules contain service and capital asset 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.	S-36 - S-46

Sources: Unless otherwise noted, the information in these schedules is derived from the District's financial records for the relevant year.

Note: With the implementation of GASB No. 75 in fiscal year 2018, the calculation of OPEB expense has changed, however, government-wide expenses for 2014 and prior fiscal years were not restated to reflect this change.

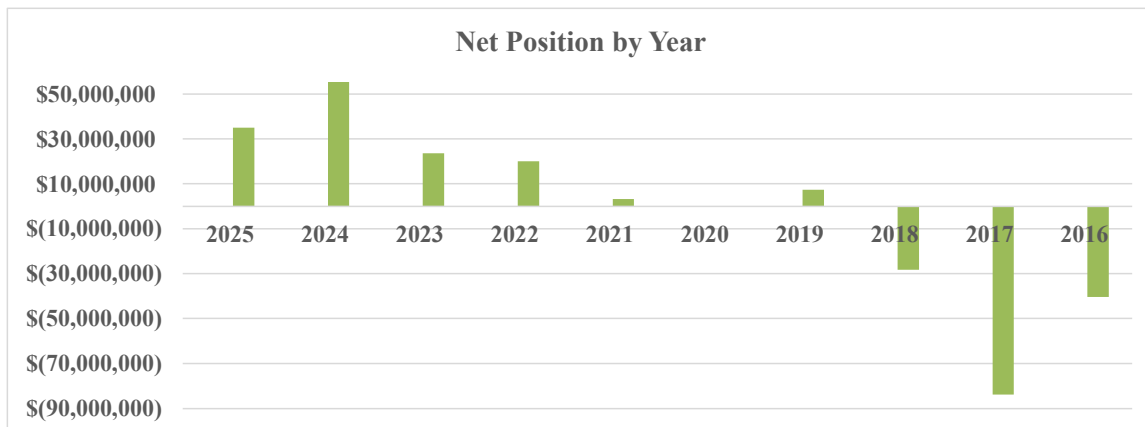
With the implementation of GASB No. 84 in fiscal year 2021, there have been minor reclassifications of funds (example custodial funds to special revenue for GAAP purposes). Prior fiscal years were not restated to reflect this change unless otherwise indicated.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	2025	2024	2023	2022
Governmental activities				
Net investment in capital assets	\$ 52,570,652	\$ 49,743,708	\$ 46,374,252	\$ 44,249,176
Restricted for:				
Capital projects	60,917,919	55,762,767	6,220,936	5,415,835
Debt service	733,610	3,981,805	6,053,952	5,429,327
Set Asides	-	-	-	-
Other purposes	9,064,220	8,596,248	4,093,372	2,924,265
Unrestricted (deficit)	(88,369,298)	(50,296,326)	(39,227,474)	(37,943,562)
Total Governmental Activities Net Position	<u>\$ 34,917,103</u>	<u>\$ 67,788,202</u>	<u>\$ 23,515,038</u>	<u>\$ 20,075,041</u>

Source: School District financial records.



<u>2021</u>	<u>Restated 2020</u>	<u>2019</u>	<u>2018</u>	<u>Restated 2017</u>	<u>2016</u>
\$ 43,636,862	\$ 44,385,271	\$ 29,345,212	\$ 20,562,527	\$ 20,192,334	\$ 18,406,114
4,164,121	185,930	10,816,741	1,067,989	1,366,516	1,793,321
4,755,468	4,255,502	4,903,088	6,690,195	3,988,776	4,027,833
353,070	353,070	353,070	353,070	353,070	353,070
2,226,418	1,827,030	869,789	690,449	823,296	895,547
<u>(51,891,539)</u>	<u>(51,113,543)</u>	<u>(38,903,481)</u>	<u>(57,575,595)</u>	<u>(110,490,760)</u>	<u>(65,855,623)</u>
<u>\$ 3,244,400</u>	<u>\$ (106,740)</u>	<u>\$ 7,384,419</u>	<u>\$ (28,211,365)</u>	<u>\$ (83,766,768)</u>	<u>\$ (40,379,738)</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	2025	2024	2023	2022
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 48,774,559	\$ 48,643,346	\$ 47,425,232	\$ 38,950,971
Special	18,648,811	17,153,352	15,835,906	13,952,816
Vocational	536,479	529,330	537,653	422,236
Student intervention services	-	-	-	-
Other	973,650	602,260	622,052	118,042
Support services:				
Pupil	8,472,289	8,969,813	8,495,309	6,831,932
Instructional staff	5,742,071	5,777,321	5,677,539	4,989,674
Board of education	45,759	53,015	42,732	38,058
Administration	7,992,152	7,956,426	7,744,209	6,683,325
Fiscal	2,601,561	2,751,852	3,104,843	2,721,459
Business	1,319,351	1,096,443	1,049,635	947,686
Operation and maintenance	14,283,611	14,254,137	11,889,084	12,424,174
Pupil transportation	6,263,216	6,240,684	4,889,657	3,564,524
Central	2,331,910	2,383,653	2,328,371	2,294,692
Operation of non-instructional services:				
Food service operations	2,139,503	2,126,114	2,324,609	2,139,161
Other non-instructional services	261,320	230,003	545,864	751,842
Extracurricular activities	2,630,752	2,778,689	2,641,818	1,896,656
Interest	6,193,659	3,090,878	929,206	1,019,571
Total governmental activities expenses	<u>129,210,653</u>	<u>124,637,316</u>	<u>116,083,719</u>	<u>99,746,819</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	1,125,195	1,011,053	1,811,906	1,646,390
Special	449,649	694,500	524,045	551,448
Vocational	35,826	67,313	51,997	30,953
Other instructional	-	-	-	-
Support services:				
Pupil	80,442	76,977	80,990	80,866
Instructional staff	-	14,624	-	-
Administration	24,723	18,219	36,557	27,829
Fiscal	-	-	-	-
Business	-	-	-	-
Operation and maintenance	75,256	100,876	146,653	131,430
Pupil transportation	1,226	-	4,250	3,230
Operation of non-instructional services				
Food service operations	741,078	768,248	709,821	260,088
Other non-instructional services	38	111	567,853	282,385
Extracurricular activities	527,237	494,737	499,266	314,269
Total governmental activities charges for services	<u>3,060,670</u>	<u>3,246,658</u>	<u>4,433,338</u>	<u>3,328,888</u>

	2021	2020	2019	2018	2017	2016
\$	49,549,401	\$ 45,614,580	\$ 15,820,184	\$ 16,102,751	\$ 43,332,594	\$ 39,924,216
	16,552,354	17,712,550	19,597,664	9,849,551	15,712,484	13,486,639
	381,738	485,846	356,381	158,211	352,363	225,278
	172,716	274,180	791,350	(30,995)	382,525	388,948
	5,698	128,432	87,824	213,569	446,397	474,197
	7,934,878	7,742,427	9,758,623	3,026,686	7,489,537	6,605,357
	5,589,623	5,196,939	5,920,665	3,183,067	4,955,704	4,642,768
	30,496	54,709	31,488	30,355	26,022	28,377
	7,093,683	7,337,553	10,369,740	1,944,189	6,940,852	6,278,130
	4,902,387	3,813,746	3,155,057	3,292,233	2,618,670	2,522,825
	911,983	1,097,173	771,189	700,381	757,710	783,194
	10,656,128	11,906,290	14,045,046	4,750,932	12,675,113	11,231,757
	2,981,478	4,219,027	4,917,780	4,181,681	4,900,743	4,537,054
	1,828,569	2,310,628	2,534,734	1,366,505	1,804,959	1,550,074
	1,044,181	1,489,433	1,817,458	1,932,677	1,788,322	1,888,483
	1,020,713	967,676	1,677,467	695,161	1,686,053	1,761,972
	1,509,494	1,877,395	2,168,494	6,296,056	1,688,888	1,621,109
	1,087,646	1,222,866	1,385,071	1,142,265	549,577	667,486
	<u>113,253,166</u>	<u>113,451,450</u>	<u>95,206,215</u>	<u>58,835,275</u>	<u>108,108,513</u>	<u>98,617,864</u>
	1,763,934	1,567,125	1,449,226	1,641,595	781,493	1,319,311
	354,347	974,474	566,869	520,511	574,237	297,890
	-	-	-	9,527	-	-
	-	-	-	11,480	-	75
	-	-	-	-	-	-
	-	-	13	158,734	-	-
	31,592	9,389	22,374	12,245	14,681	15,524
	248,302	904,632	610,388	1,198,733	322,669	115,193
	-	-	-	19	-	-
	97	4,392	7,058	-	1,769	1,958
	-	-	204	6,186	78,698	76,253
	14,031	627,790	562,312	892,758	822,854	835,367
	44,950	459,205	796,130	-	-	-
	99,240	161,109	192,188	242,211	256,310	285,452
	<u>2,556,493</u>	<u>4,708,116</u>	<u>4,206,762</u>	<u>4,693,999</u>	<u>2,852,711</u>	<u>2,947,023</u>

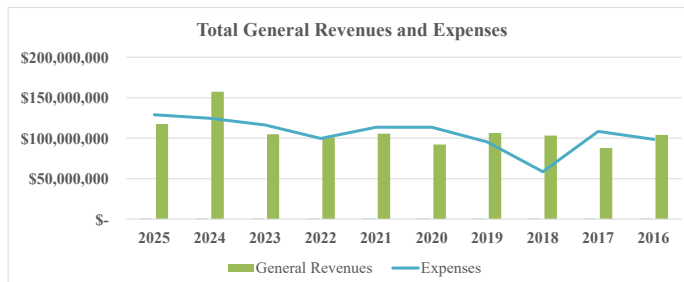
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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	2025	2024	2023	2022
Operating grants and contributions:				
Instruction:				
Regular	\$ 729,756	\$ 1,843,129	\$ 3,642,998	\$ 3,084,604
Special	2,869,370	3,187,538	3,154,696	3,252,718
Vocational	82,252	34,711	31,105	34,680
Student intervention services	-	-	-	-
Other instructional	54,992	218,585	516,546	450
Support services:				
Pupil	511,914	573,059	669,212	849,903
Instructional staff	4,138	115,098	116,605	343,988
Administration	153,858	-	95,990	232,373
Fiscal	-	15,611	14,400	14,400
Operation and maintenance	16,549	121,123	10,815	1,226,292
Pupil transportation	764,871	803,546	527,484	384,539
Central	-	-	-	23,680
Operation of non-instructional services				
Food service operations	1,487,444	1,065,097	1,141,123	2,556,216
Other non-instructional services	230,335	200,041	194,967	237,079
Extracurricular activities	47,509	59,972	56,682	32,901
Total operating grants and contributions	6,952,988	8,237,510	10,172,623	12,273,823
Capital grants and contributions:				
Instruction:				
Regular	-	37	3	24,728
Special	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
Business	-	-	-	-
Fiscal	-	56	-	-
Operations and maintenance	-	206,121	6,223	-
Pupil transportation	-	-	-	-
Extracurricular activities	-	-	2,144	50,600
Total capital grants and contributions	-	206,214	8,370	75,328
Total governmental activities program revenues	10,013,658	11,690,382	14,614,331	15,678,039
Net (Expense)/Revenue				
Governmental activities	\$ (119,196,995)	\$ (112,946,934)	\$ (101,469,388)	\$ (84,068,780)
General Revenues				
Property taxes levied for:				
General purposes	\$ 76,202,796	\$ 74,376,043	\$ 73,140,805	\$ 73,141,065
Debt service	4,299,055	3,576,624	3,837,532	3,883,389
Capital outlay	1,067,315	959,285	1,019,700	1,011,588
Classroom facilities maintenance	485,364	308,241	-	-
Payment in lieu of taxes	526,959	481,903	378,614	542,011
Grants and entitlements not restricted				
to specific programs	24,296,314	23,995,617	24,642,905	23,627,220
Ohio Facilities Construction Commission grant	-	47,450,445	-	-
Insurance recoveries	-	-	-	-
Investment earnings	10,520,692	5,870,895	1,504,352	(1,789,364)
Miscellaneous	107,877	201,045	385,477	483,512
Total governmental activities	117,506,372	157,220,098	104,909,385	100,899,421
Extraordinary Item				
Insurance Recoveries	-	-	-	-
Change in Net Position				
Governmental activities	\$ (1,690,623)	\$ 44,273,164	\$ 3,439,997	\$ 16,830,641

Source: School District financial records.



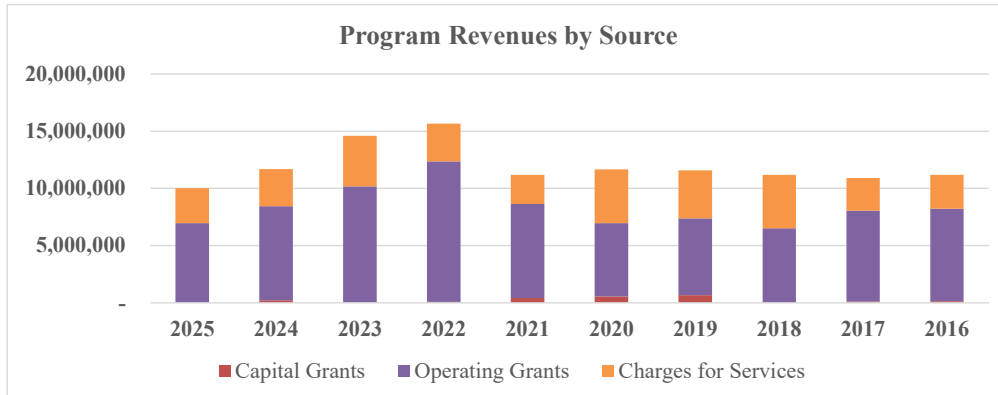
	2021	2020	2019	2018	2017	2016
\$	1,764,703	\$ 553,672	\$ 404,167	\$ 428,769	\$ 507,752	\$ 341,875
	3,598,458	3,564,790	3,719,575	3,665,687	3,860,005	4,233,399
	56,514	56,514	56,932	55,319	46,629	41,624
	65,208	117,715	190,417	180,238	96,529	149,402
	-	25,738	-	16,819	15,600	-
	442,248	453,217	158,184	186,003	216,043	148,302
	611,428	142,107	241,010	46,454	145,440	144,980
	109,645	-	-	1,053	1,721	1,153
	14,400	14,400	14,400	14,400	14,400	14,400
	130,666	81,364	25,004	-	-	-
	333,242	367,990	386,977	417,180	393,888	434,255
	-	-	-	-	-	-
	878,174	834,966	937,106	929,421	920,784	932,620
	207,267	194,186	593,451	556,401	1,743,019	1,650,925
	20,602	9,696	3,388	4,646	4,753	7,499
	<u>8,232,555</u>	<u>6,416,355</u>	<u>6,730,611</u>	<u>6,502,390</u>	<u>7,966,563</u>	<u>8,100,434</u>
	202	468	6,825	-	-	77,947
	-	-	-	-	-	1,756
	-	-	826	-	-	-
	1,259	508	-	-	-	7,034
	-	-	-	-	-	1,784
	257	299	-	-	-	-
	394,302	531,833	642,571	-	-	789
	-	-	-	-	88,714	38,627
	9,205	-	-	-	-	-
	<u>405,225</u>	<u>533,108</u>	<u>650,222</u>	<u>-</u>	<u>88,714</u>	<u>127,937</u>
	<u>11,194,273</u>	<u>11,657,579</u>	<u>11,587,595</u>	<u>11,196,389</u>	<u>10,907,988</u>	<u>11,175,394</u>
\$	<u>(102,058,893)</u>	<u>(101,793,871)</u>	<u>(83,618,620)</u>	<u>(47,638,886)</u>	<u>(97,200,525)</u>	<u>(87,442,470)</u>
\$	72,251,276	\$ 60,521,625	\$ 70,728,101	\$ 69,760,159	\$ 59,568,298	\$ 74,574,871
	3,736,515	3,274,744	4,648,733	4,079,725	1,990,941	2,548,475
	1,009,776	817,152	1,007,083	870,324	-	-
	-	-	-	-	-	-
	469,549	365,924	699,669	112,332	122,973	122,905
	25,517,794	24,129,251	26,063,809	25,414,022	25,402,285	25,768,793
	-	-	-	-	-	-
	-	75,977	-	-	-	-
	98,290	2,221,255	2,174,811	795,045	158,736	704,297
	2,326,833	709,269	1,049,760	2,162,682	418,602	281,940
	<u>105,410,033</u>	<u>92,115,197</u>	<u>106,371,966</u>	<u>103,194,289</u>	<u>87,661,835</u>	<u>104,001,281</u>
	-	1,644,250	12,842,438	-	-	-
\$	<u>3,351,140</u>	<u>(8,034,424)</u>	<u>35,595,784</u>	<u>55,555,403</u>	<u>(9,538,690)</u>	<u>16,558,811</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROGRAM REVENUES OF GOVERNMENTAL ACTIVITIES BY FUNCTION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	2025	2024	2023	2022
Governmental activities:				
Instruction:				
Regular	\$ 1,854,951	\$ 2,854,219	\$ 5,454,907	\$ 4,755,722
Special	3,319,019	3,882,038	3,678,741	3,804,166
Vocational	118,078	102,024	83,102	65,633
Student intervention	-	-	-	-
Other	54,992	218,585	516,546	450
Support services:				
Pupil	592,356	650,036	750,202	930,769
Instructional staff	4,138	129,722	116,605	343,988
Board of education	-	-	-	-
Administration	178,581	18,219	132,547	260,202
Fiscal	-	15,667	14,400	14,400
Business	-	-	-	-
Operation and maintenance	91,805	428,120	163,691	1,357,722
Pupil transportation	766,097	803,546	531,734	387,769
Central	-	-	-	23,680
Operation of non-instructional services				
Food services	2,228,522	1,833,345	1,850,944	2,816,304
Other non-instructional services	230,373	200,152	762,820	519,464
Extracurricular activities	574,746	554,709	558,092	397,770
Total program revenues	<u>\$ 10,013,658</u>	<u>\$ 11,690,382</u>	<u>\$ 14,614,331</u>	<u>\$ 15,678,039</u>

Source: School District financial records.



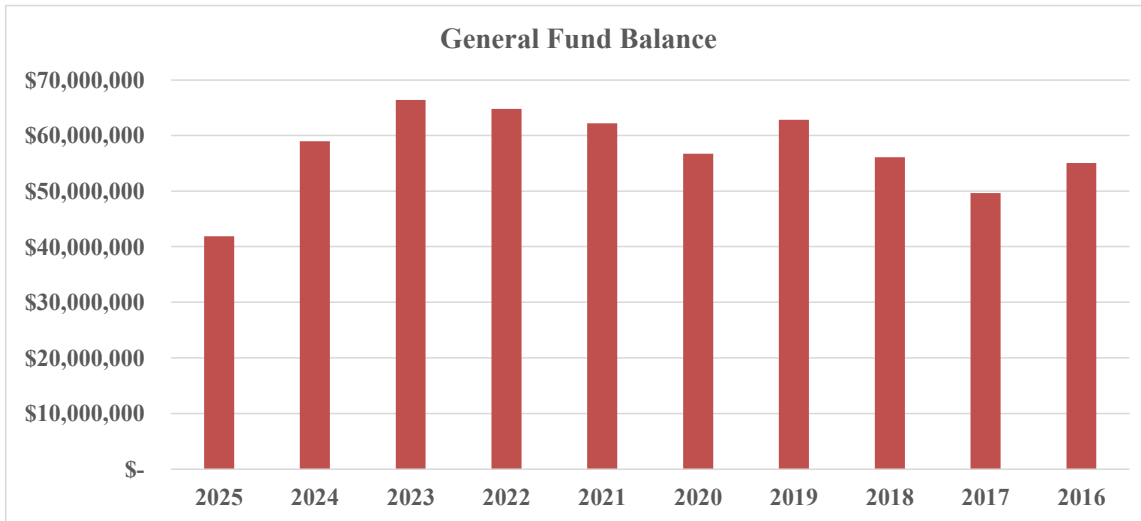
	2021	2020	2019	2018	2017	2016
\$	3,528,839	\$ 2,121,265	\$ 1,860,218	\$ 2,070,364	\$ 1,289,245	\$ 1,739,133
	3,952,805	4,539,264	4,286,444	4,186,198	4,434,242	4,533,045
	56,514	56,514	56,932	64,846	46,629	41,624
	65,208	117,715	190,417	180,238	96,529	149,402
	-	25,738	-	28,299	15,600	75
	442,248	453,217	159,010	186,003	216,043	148,302
	612,687	142,615	241,023	205,188	145,440	152,014
	-	-	-	-	-	16,677
	141,237	9,389	22,374	13,298	16,402	129,593
	262,959	919,331	624,788	1,213,133	337,069	-
	-	-	-	19	-	1,784
	525,065	617,589	674,633	-	1,769	2,747
	333,242	367,990	387,181	423,366	561,300	549,135
	-	-	-	-	-	-
	892,205	1,462,756	1,733,236	1,822,179	1,743,638	1,767,987
	252,217	653,391	1,155,763	556,401	1,743,019	1,650,925
	129,047	170,805	195,576	246,857	261,063	292,951
\$	<u>11,194,273</u>	<u>\$ 11,657,579</u>	<u>\$ 11,587,595</u>	<u>\$ 11,196,389</u>	<u>\$ 10,907,988</u>	<u>\$ 11,175,394</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
General Fund:				
Nonspendable	\$ 256,568	\$ 206,716	\$ 240,437	\$ 54,530
Restricted	353,070	353,070	353,070	353,070
Committed	-	-	-	-
Assigned	23,169,047	21,241,812	10,001,495	8,169,914
Unassigned	<u>18,101,906</u>	<u>37,165,095</u>	<u>55,797,140</u>	<u>56,177,627</u>
Total general fund	<u>\$ 41,880,591</u>	<u>\$ 58,966,693</u>	<u>\$ 66,392,142</u>	<u>\$ 64,755,141</u>
All Other Governmental Funds:				
Nonspendable	\$ 4,292	\$ -	\$ -	\$ -
Restricted	131,211,111	143,107,479	14,255,602	13,485,923
Unassigned (deficit)	<u>(805,039)</u>	<u>(129,149)</u>	<u>(735,157)</u>	<u>(243,172)</u>
Total all other governmental funds	<u>\$ 130,410,364</u>	<u>\$ 142,978,330</u>	<u>\$ 13,520,445</u>	<u>\$ 13,242,751</u>
Total governmental funds	<u>\$ 172,290,955</u>	<u>\$ 201,945,023</u>	<u>\$ 79,912,587</u>	<u>\$ 77,997,892</u>

Source: School District financial records.



<u>2021</u>	<u>Restated 2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 153,545	\$ 224,125	\$ 222,134	\$ 226,458	\$ 222,612	\$ 85,528
353,070	353,070	353,070	353,070	353,070	353,070
-	-	-	-	1,173,937	435,416
9,724,312	8,153,612	5,232,232	17,880,399	5,251,332	5,325,822
51,966,665	47,979,171	56,989,664	37,606,441	42,648,411	48,865,339
<u>\$ 62,197,592</u>	<u>\$ 56,709,978</u>	<u>\$ 62,797,100</u>	<u>\$ 56,066,368</u>	<u>\$ 49,649,362</u>	<u>\$ 55,065,175</u>
\$ 929	\$ 3,637	\$ 4,307	\$ 6,127	\$ 678	\$ -
13,416,079	15,571,262	34,218,130	32,880,637	4,810,523	6,185,448
(174,277)	(156,503)	(163,416)	(209,500)	(136,817)	(69,080)
<u>\$ 13,242,731</u>	<u>\$ 15,418,396</u>	<u>\$ 34,059,021</u>	<u>\$ 32,677,264</u>	<u>\$ 4,674,384</u>	<u>\$ 6,116,368</u>
<u>\$ 75,440,323</u>	<u>\$ 72,128,374</u>	<u>\$ 96,856,121</u>	<u>\$ 88,743,632</u>	<u>\$ 54,323,746</u>	<u>\$ 61,181,543</u>

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2025	2024	2023	2022
Revenues				
Property taxes	\$ 78,923,938	\$ 80,571,622	\$ 79,041,871	\$ 77,144,330
Intergovernmental	31,067,571	32,826,055	34,389,152	36,061,516
Investment earnings	10,479,139	5,507,968	1,432,994	(1,833,899)
Tuition and fees	1,321,267	1,624,996	1,435,633	1,474,917
Extracurricular activities	754,079	740,882	740,612	534,456
Rental income	75,256	95,774	146,653	130,148
Charges for services	910,060	768,426	2,101,273	1,189,367
Contributions and donations	57,036	80,921	81,965	145,183
Payment in lieu of taxes	526,959	481,903	378,614	542,011
Miscellaneous	134,117	341,681	466,369	507,384
Total revenues	124,249,422	123,040,228	120,215,136	115,895,413
Expenditures				
Current:				
Instructional:				
Regular	50,188,094	49,421,096	46,218,323	43,260,508
Special	19,823,377	17,386,719	15,718,386	15,493,924
Vocational	573,186	674,078	561,113	422,236
Student intervention	-	-	-	-
Other	841,579	618,721	536,066	133,228
Support services:				
Pupil	8,982,544	9,040,567	8,639,708	7,640,670
Instructional staff	6,733,079	5,724,196	5,301,625	4,909,754
Board of education	45,993	53,103	42,732	38,058
Administration	8,597,645	8,192,797	7,607,000	7,364,205
Fiscal	2,730,464	2,908,314	3,065,609	2,794,044
Business	1,623,557	1,094,359	1,021,482	984,468
Operations and maintenance	14,499,238	14,899,811	12,908,871	12,960,184
Pupil transportation	7,004,110	6,759,692	4,710,879	3,775,237
Central	2,499,034	2,414,658	2,302,777	2,403,875
Extracurricular activities	2,532,874	2,799,968	2,480,131	1,959,192
Operation of non-instructional services				
Food service operations	2,121,855	2,117,059	2,290,065	2,157,681
Other non-instructional services	373,875	210,155	504,300	841,639
Facilities acquisition and construction	12,666,500	962,092	371,084	2,246,682
Capital outlay	610,501	340,718	343,722	-
Debt service:				
Principal retirement	3,966,395	2,857,272	3,034,545	2,872,923
Interest	7,573,293	980,230	1,058,480	1,149,477
Issuance costs	-	1,070,006	-	-
Total expenditures	153,987,193	130,525,611	118,716,898	113,407,985
Excess (deficiency) of revenues over (under) expenditures	(29,737,771)	(7,485,383)	1,498,238	2,487,428
Other Financing Sources (Uses)				
Sale of capital assets	83,702	34,977	72,735	70,141
Insurance recoveries	-	-	-	-
Issuance of bonds and COPs	-	119,160,000	-	-
Premiums on bond and COPs	-	10,347,633	-	-
Discount on bonds and COPs	-	(365,509)	-	-
Lease transaction	508,115	-	-	-
SBITA transaction	91,886	340,718	343,722	-
Transfers in	415,000	81,469,000	365,000	350,000
Transfers (out)	(1,015,000)	(81,469,000)	(365,000)	(350,000)
Total other financing sources (uses)	83,703	129,517,819	416,457	70,141
Extraordinary item	-	-	-	-
Net change in fund balances	\$ (29,654,068)	\$ 122,032,436	\$ 1,914,695	\$ 2,557,569
Capital expenditures	\$ 16,921,615	\$ 5,330,816	\$ 3,620,079	\$ 8,465,735
Debt service as a percentage of noncapital expenditures	8.42%	3.07%	3.56%	3.83%

Source: School District financial records.

2021	2020	2019	2018	2017	2016
\$ 76,097,529	\$ 64,587,355	\$ 76,542,746	\$ 75,032,244	\$ 60,683,178	\$ 76,996,894
33,539,767	30,298,873	32,376,941	31,877,397	33,369,707	33,845,112
185,956	2,718,050	2,783,842	856,980	174,520	714,497
1,007,873	1,799,298	1,276,576	1,506,363	927,465	1,318,415
245,284	178,562	325,389	371,936	347,612	359,198
91,668	92,841	91,049	89,293	88,781	86,023
1,211,468	2,637,415	2,513,748	2,495,853	1,439,922	1,118,740
444,815	95,381	143,728	99,188	136,435	225,224
469,549	365,924	699,669	112,332	122,973	122,905
2,411,634	1,037,115	704,143	2,106,016	463,978	330,216
115,705,543	103,810,814	117,457,831	114,547,602	97,754,571	115,117,224
43,955,768	42,289,989	41,971,747	42,082,366	39,815,886	38,783,485
15,455,431	16,783,638	15,603,566	15,986,261	14,768,608	13,489,001
381,738	494,667	354,687	151,084	352,363	225,278
173,418	274,180	401,710	402,577	382,525	398,299
5,119	81,043	77,961	213,950	408,342	459,335
7,230,219	7,232,515	6,968,407	7,112,993	7,022,053	6,612,062
5,509,330	4,699,323	5,194,196	5,134,657	4,387,154	4,353,812
30,496	54,709	31,488	30,355	26,022	28,377
6,762,641	6,897,904	6,991,641	6,617,382	6,478,177	6,388,501
4,947,637	3,590,246	3,327,722	3,455,765	2,744,933	2,578,829
880,438	988,442	685,043	770,412	699,631	752,438
10,740,315	10,333,511	12,401,079	10,104,442	10,398,177	10,351,040
2,829,887	3,976,004	4,565,225	4,509,325	4,624,199	4,541,336
1,779,798	2,241,039	2,052,283	1,917,734	1,715,662	1,572,126
1,501,290	1,703,849	1,662,897	1,615,557	1,521,048	1,509,295
1,017,613	1,489,488	1,817,458	1,881,270	1,788,322	1,814,071
908,552	806,865	1,326,737	1,303,117	1,857,393	1,628,083
-	-	-	-	-	-
5,966,101	22,146,392	10,409,511	3,920,507	2,901,476	1,006,601
2,670,000	2,949,310	2,985,000	2,029,999	2,185,000	1,850,582
1,227,636	1,702,222	1,761,505	1,072,567	537,936	930,250
-	-	-	-	-	-
113,973,427	130,735,336	120,589,863	110,312,320	104,614,907	99,272,801
1,732,116	(26,924,522)	(3,132,032)	4,235,282	(6,860,336)	15,844,423
-	-	-	-	-	-
1,579,833	9,260	-	109,064	2,539	-
-	-	-	28,495,000	-	-
-	-	-	1,580,540	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
350,000	285,000	10,120,000	260,000	235,000	225,000
(350,000)	(285,000)	(10,120,000)	(260,000)	(235,000)	(225,000)
1,579,833	9,260	-	30,184,604	2,539	-
-	1,644,250	11,244,521	-	-	-
\$ 3,311,949	\$ (25,271,012)	\$ 8,112,489	\$ 34,419,886	\$ (6,857,797)	\$ 15,844,423
\$ 23,548,022	\$ 13,653,617	\$ 5,457,129	\$ 3,127,250	\$ 950,147	\$ 1,498,540
4.31%	3.97%	4.12%	2.89%	2.63%	2.84%

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**HISTORY OF SCHOOL OPERATING LEVIES
FOR THE YEARS 1933 - 2025**

Date	Number of Mills	Number of Years	Votes For	Votes Against	Percentage For	Total Votes Cast	Difference
11/33	3.0	1934	2,975	2,176	57.76%	5,151	799
11/34	5.0	1935	3,358	3,633	48.03%	6,991	(275)
03/35	3.0	1935	1,791	1,042	63.22%	2,833	749
11/35	4.0	1936	4,616	1,852	71.37%	6,468	2,764
11/36	5.0	1937-39	5,479	5,323	50.72%	10,802	156
11/38	5.0	1940-43	5,459	2,303	70.33%	7,762	3,156
11/42	5.0	1944-47	5,763	2,309	71.39%	8,072	3,454
11/44	0.05	1945	11,668	3,350	77.69%	15,018	8,318
11/45	1.0	1946-47	4,736	1,196	79.84%	5,932	3,540
11/46	6.0 Renewal	1948-51	11,445	2,000	85.12%	13,445	9,445
11/47	3.0	1948-51	7,739	2,076	78.85%	9,815	5,663
11/50	10.0 Renewal	1952-55	12,633	3,589	77.88%	16,222	9,044
11/52	2.0	1953-55	15,874	4,145	79.29%	20,019	11,729
11/54	12.0	1956-59	8,659	7,365	54.04%	16,024	1,294
	9.8 Renewal						
	2.2 Additional						
11/57	5.3	1958-59	8,365	4,480	65.12%	12,845	3,885
11/58	17.2 Renewal	1960-64	13,802	4,346	76.05%	18,148	9,456
11/59	3.0	1960-64	7,996	6,040	56.97%	14,036	1,956
11/62	3.43	1963-64	12,845	5,616	69.58%	18,461	7,229
05/64	23.63 Renewal	1965-69	9,692	1,872	83.81%	11,564	7,820
05/65	3.8 Renewal	1966-69	7,970	2,293	77.66%	10,263	5,677
05/67	3.9 Additional	1966-68	7,740	2,552	75.20%	10,292	5,188
05/69	39.23	Continuing	3,831	2,366	61.82%	6,197	1,465
	31.33						
	7.9 Additional						
05/71	8.9 Additional	Continuing	6,016	4,270	58.49%	10,286	1,746
05/74	4.9 Additional	Continuing	5,814	2,524	69.73%	8,338	3,290
06/76	5.5 Additional	Continuing	6,230	3,266	65.61%	9,496	2,964
06/77	12.0 Additional	Continuing	4,644	2,683	63.38%	7,327	1,961
06/79	6.0 Additional	Continuing	3,433	1,795	65.67%	5,228	1,638
06/81	6.5 Additional	Continuing	3,805	2,398	61.34%	6,203	1,407
06/82	6.0 Additional	Continuing	7,190	5,127	58.37%	12,317	2,063
06/83	8.8 Additional	Continuing	4,301	4,572	48.47%	8,873	(271)
08/83	8.8 Additional	Continuing	5,373	4,546	54.17%	9,919	827
11/86	7.5 Additional	Continuing	6,950	6,908	50.15%	13,858	42
05/89	9.8 Additional	Continuing	3,613	3,145	53.46%	6,758	468
05/92	9.8 Additional	Continuing	6,554	5,106	56.21%	11,660	1,448
11/94	8.7 Additional	Continuing	6,733	7,160	48.46%	13,893	(427)
02/95	8.7 Additional	Continuing	5,464	2,641	67.42%	8,105	2,823
03/00	9.4 Additional	Continuing	6,280	4,216	59.83%	10,496	2,064
05/03	9.6 Additional	Continuing	5,657	2,987	65.44%	8,644	2,670
05/06	9.9 Additional	Continuing	5,579	3,697	60.14%	9,276	1,882
05/10	9.9 Additional	Continuing	5,244	3,749	58.31%	8,993	1,495
05/14	6.9 Additional	Continuing	4,621	2,913	61.34%	7,534	1,708
05/17*	1.25 Perm Imp.	Continuing	2,782	1,335	67.57%	4,117	1,447
11/23	3.0 Additional	Continuing	7,907	5,444	59.22%	13,351	2,463
11/23	0.5 Additional	Continuing	7,907	5,444	59.22%	13,351	2,463

* Single ballot issue included permanent improvement levy and bond issue.

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN COLLECTION (FISCAL) YEARS

Collection Year	Real Property			Tangible Personal Property	
				Public Utility	
	Assessed Value		Estimated	Assessed	Estimated
	Residential/ Agricultural	Commercial/ Industrial/PU	Actual Value		Actual Value
2025	\$ 1,122,689,210	\$ 104,821,240	\$ 3,507,172,714	\$ 27,738,150	\$ 31,520,625
2024	830,999,720	95,706,660	2,647,732,514	25,145,110	28,573,989
2023	829,673,330	89,239,710	2,625,465,829	23,700,170	26,932,011
2022	827,762,240	88,277,310	2,617,255,857	21,544,590	24,482,489
2021	778,380,050	82,481,570	2,459,604,629	20,175,570	22,926,784
2020	781,333,140	81,042,160	2,463,929,429	18,764,080	21,322,818
2019	780,953,140	81,759,150	2,464,892,257	17,489,560	19,874,500
2018	723,905,650	71,385,660	2,272,260,886	16,650,160	18,920,636
2017	729,004,600	72,479,180	2,289,953,657	15,510,410	17,625,466
2016	730,582,810	72,725,130	2,295,165,543	14,677,340	16,678,795

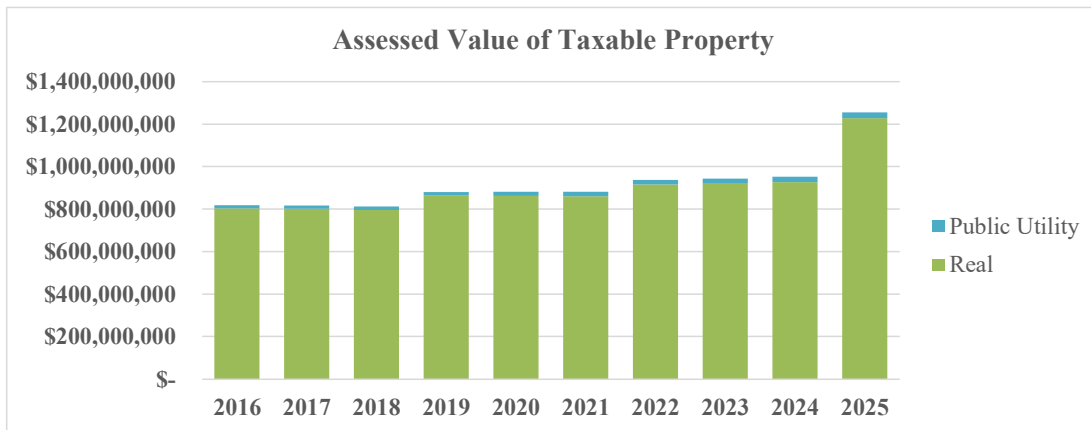
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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

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

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

Total			
Assessed Value	Estimated Actual Value	Full Tax Rate Per \$1,000 of Assessed Value	Weighted Average Tax Rate
\$ 1,255,248,600	\$ 3,538,693,339	\$ 192.08	\$ 73.76
951,851,490	2,676,306,503	192.08	93.83
942,613,210	2,652,397,840	188.83	96.05
937,584,140	2,641,738,346	189.18	95.64
881,037,190	2,482,531,413	189.18	96.66
881,139,380	2,485,252,247	189.18	103.85
880,201,850	2,484,766,757	190.48	99.42
811,941,470	2,291,181,522	190.48	99.18
816,994,190	2,307,579,123	186.73	103.27
817,985,280	2,311,844,338	186.73	95.74



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS

	2025	2024	2023	2022
Unvoted Millage				
Operating	\$ 4.100000	\$ 4.100000	\$ 4.100000	\$ 4.100000
Voted Millage - by levy				
All prior to 1977 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	7.155116	9.639891	9.628477	9.637432
Commercial/Industrial	17.007471	18.259428	19.369391	19.448641
Tangible/Public Utility Personal	58.530000	58.530000	58.530000	58.530000
1977 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	1.867104	2.515500	2.512524	2.514864
Commercial/Industrial	3.757140	4.033716	4.278924	4.296432
Tangible/Public Utility Personal	12.000000	12.000000	12.000000	12.000000
1979 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	0.933552	1.257750	1.256262	1.257432
Commercial/Industrial	1.878570	2.016858	2.139462	2.148216
Tangible/Public Utility Personal	6.000000	6.000000	6.000000	6.000000
1981 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	1.546233	2.083198	2.080734	2.082671
Commercial/Industrial	2.415497	2.593311	2.750962	2.762220
Tangible/Public Utility Personal	6.500000	6.500000	6.500000	6.500000
1982 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	1.429620	1.926090	1.923816	1.925610
Commercial/Industrial	2.229756	2.393898	2.539422	2.549814
Tangible/Public Utility Personal	6.000000	6.000000	6.000000	6.000000
1983 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.386736	3.215581	3.211780	3.214772
Commercial/Industrial	3.763672	4.040731	4.286365	4.303904
Tangible/Public Utility Personal	8.800000	8.800000	8.800000	8.800000
1986 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.161267	2.911815	2.908380	2.911087
Commercial/Industrial	3.554595	3.816262	4.048252	4.064820
Tangible/Public Utility Personal	7.500000	7.500000	7.500000	7.500000
1989 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	3.570522	4.810467	4.804783	4.809261
Commercial/Industrial	5.648739	6.064563	6.433239	6.459572
Tangible/Public Utility Personal	9.800000	9.800000	9.800000	9.800000

	2021		2020		2019		2018		2017		2016
\$	4.100000	\$	4.100000	\$	4.100000	\$	4.100000	\$	4.100000	\$	4.100000
	10.245149		10.186385		10.176201		10.978121		10.905017		10.844766
	20.830300		21.270914		21.084378		24.336130		24.153692		24.133558
	58.530000		58.530000		58.530000		58.530000		58.530000		58.530000
	2.673444		2.658108		2.655456		2.864724		2.845644		2.840352
	4.601652		4.698996		4.657788		5.376132		5.335824		5.331384
	12.000000		12.000000		12.000000		12.000000		12.000000		12.000000
	1.336722		1.329054		1.327728		1.432362		1.422822		1.420176
	2.300826		2.349498		2.328894		2.688066		2.667912		2.665692
	6.000000		6.000000		6.000000		6.000000		6.000000		6.000000
	2.214004		2.201303		2.199106		2.372409		2.356614		2.352233
	2.958449		3.021031		2.994537		3.456369		3.430453		3.427600
	6.500000		6.500000		6.500000		6.500000		6.500000		6.500000
	2.047038		2.035296		2.033262		2.193498		2.178894		2.174844
	2.730954		2.788728		2.764272		3.190590		3.166668		3.164034
	6.000000		6.000000		6.000000		6.000000		6.000000		6.000000
	3.417497		3.397900		3.394512		3.662023		3.637638		3.630880
	4.609660		4.707172		4.665892		5.385494		5.345120		5.340676
	8.800000		8.800000		8.800000		8.800000		8.800000		8.800000
	3.094657		3.076912		3.073837		3.316080		3.294000		3.287880
	4.353592		4.445692		4.406707		2.086335		5.048205		5.044005
	7.500000		7.500000		7.500000		7.500000		7.500000		7.500000
	5.112532		5.083211		5.078134		5.478337		5.441862		5.431758
	6.918466		7.064820		7.002864		8.082883		8.022290		8.156160
	9.800000		9.800000		9.800000		9.800000		9.800000		9.800000

(Continued)

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS

	2025	2024	2023	2022
1992 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	\$ 4.459637	\$ 6.008350	\$ 6.001255	\$ 6.006851
Commercial/Industrial	6.347019	6.814243	7.228489	7.258076
Tangible/Public Utility Personal	9.800000	9.800000	9.800000	9.800000
1995 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	4.308196	5.804318	5.797471	5.802873
Commercial/Industrial	6.080003	6.527575	6.924390	6.952735
Tangible/Public Utility Personal	8.700000	8.700000	8.700000	8.700000
1996 School Improvement Bonds (\$12,700,000)	-	-	-	-
2000 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	5.002200	6.739330	6.731377	6.737656
Commercial/Industrial	6.569199	7.052782	7.481525	7.512151
Tangible/Public Utility Personal	9.400000	9.400000	9.400000	9.400000
2003 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	5.769734	7.773408	7.764230	7.771468
Commercial/Industrial	6.708969	7.202841	7.640707	7.671984
Tangible/Public Utility Personal	9.600000	9.600000	9.600000	9.600000
2004 School Improvement Bonds (\$23,500,000)	-	1.500000	1.750000	2.000000
2006 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	6.194152	8.345224	8.335374	8.343145
Commercial/Industrial	6.918624	7.427930	7.879479	7.911733
Tangible/Public Utility Personal	9.900000	9.900000	9.900000	9.900000
2010 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	6.194152	8.345224	8.335374	8.343145
Commercial/Industrial	6.918624	7.427930	7.879479	7.911733
Tangible/Public Utility Personal	9.900000	9.900000	9.900000	9.900000
2014 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	4.317136	5.816368	5.809503	5.814919
Commercial/Industrial	4.822071	5.177042	5.491758	5.514238
Tangible/Public Utility Personal	6.900000	6.900000	6.900000	6.900000
2017 School Improvement Bonds (\$30,000,000)	2.400000	2.400000	2.400000	2.500000
2017 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	0.814687	1.097607	1.096312	1.097335
Commercial/Industrial	0.873563	0.937870	0.994883	0.998956
Tangible/Public Utility Personal	1.250000	1.250000	1.250000	1.250000
2023 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.226717	3.000000	-	-
Commercial/Industrial	2.634165	2.828076	-	-
Tangible/Public Utility Personal	3.000000	3.000000	-	-
2023 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	0.371119	0.500000	-	-
Commercial/Industrial	0.439027	0.471346	-	-
Tangible/Public Utility Personal	0.500000	0.500000	-	-

	2021		2020		2019		2018		2017		2016
\$	6.385640	\$	6.349018	\$	6.342687	\$	6.842546	\$	6.796986	\$	6.784364
	7.773703		7.938156		7.868547		9.082081		9.139910		9.006494
	9.800000		9.800000		9.800000		9.800000		9.800000		9.800000
	6.168804		6.133430		6.127314		6.610199		6.566186		6.553988
	7.446669		7.604200		7.537514		8.700000		8.642432		8.635246
	8.700000		8.700000		8.700000		8.700000		8.700000		8.700000
	-		-		1.062803		1.047008		1.030306		1.027469
	7.162536		7.121458		7.114352		7.675025		7.623926		7.609770
	8.045826		8.216032		8.143981		9.400000		9.400000		9.400000
	9.400000		9.400000		9.400000		9.400000		9.400000		9.400000
	8.261539		8.214163		8.205964		8.852669		8.793725		8.777395
	8.217014		8.390841		8.317257		9.600000		9.600000		9.600000
	9.600000		9.600000		9.600000		9.600000		9.600000		9.600000
	2.000000		2.000000		2.237197		2.252992		2.269694		2.272531
	8.869261		8.818405		8.809604		9.503881		9.440600		9.423068
	8.473796		8.653055		8.577171		9.900000		9.900000		9.900000
	9.900000		9.900000		9.900000		9.900000		9.900000		9.900000
	8.869261		8.818405		8.809604		9.503881		9.440600		9.423068
	8.473796		8.653055		8.577171		9.900000		9.900000		9.900000
	9.900000		9.900000		9.900000		9.900000		9.900000		9.900000
	6.181606		6.146161		6.140027		6.623917		6.579812		6.567593
	5.905979		6.030917		5.978028		6.900000		6.900000		6.900000
	6.900000		6.900000		6.900000		6.900000		6.900000		6.900000
	2.500000		2.500000		2.500000		2.500000		-		-
	1.166532		1.159842		1.158685		1.250000		-		-
	1.069923		1.092557		1.082976		1.250000		-		-
	1.250000		1.250000		1.250000		1.250000		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
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	-		-		-		-		-		-

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS

	2025	2024	2023	2022
2024 Bonds (\$121,190,000)	\$ 1.500000	\$ -	\$ -	\$ -
Total Voted Millage by type of property				
Effective Millage Rates				
Residential/Agricultural	64.607880	82.190121	82.347652	82.770521
Commercial/Industrial	92.466704	95.686980	101.516727	102.265225
Tangible/Public Utility Personal	187.980000	184.480000	184.730000	185.080000
Total Millage by type of property				
Effective Millage Rates				
Residential/Agricultural	68.707880	86.290121	91.806222	91.329051
Commercial/Industrial	96.566704	99.786980	113.310605	115.525664
Tangible/Public Utility Personal	192.080000	188.580000	189.180000	189.180000
Total Weighted Average Tax Rate	73.760513	93.829231	96.049274	95.638277
Overlapping Rates by Taxing District				
City of Shaker Heights Charter & Inside Millage	9.900000	9.900000	9.900000	9.900000
City of Cleveland Charter & Inside Millage	12.700000	12.700000	12.700000	12.700000
Shaker Heights Public Library Voted Millage				
Effective Millage Rates				
Residential/Agricultural	3.741013	5.040171	5.034223	5.038917
Commercial/Industrial	4.123220	4.426746	4.695851	4.715073
Tangible/Public Utility Personal	5.900000	5.900000	5.900000	5.900000
Cuyahoga County Voted Millage				
Effective Millage Rates				
Residential/Agricultural	13.209526	16.703289	16.292250	16.296627
Commercial/Industrial	17.330482	18.512473	18.169871	18.219790
Tangible/Public Utility Personal	20.280000	20.280000	19.880000	19.880000
Cleveland Metro Parks				
Effective Millage Rates				
Residential/Agricultural	2.113664	2.742415	2.740396	2.150196
Commercial/Industrial	2.540612	2.732120	2.740428	2.456294
Tangible/Public Utility Personal	2.750000	2.750000	2.750000	2.750000

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

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

The City School District's basic property tax may be increased only by a majority vote of the City School District's residents.

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

Source: Ohio Department of Taxation

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

Note: Cuyahoga County includes Cuyahoga County, Cleveland-Cuyahoga County Port Authority and the Cuyahoga County Community College

2021	2020	2019	2018	2017	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
87.706222	87.229051	87.383670	93.912664	89.594020	89.394666
109.210605	111.425664	110.725174	124.087072	122.922200	122.877380
185.080000	185.080000	185.317197	185.332992	181.599694	181.602531

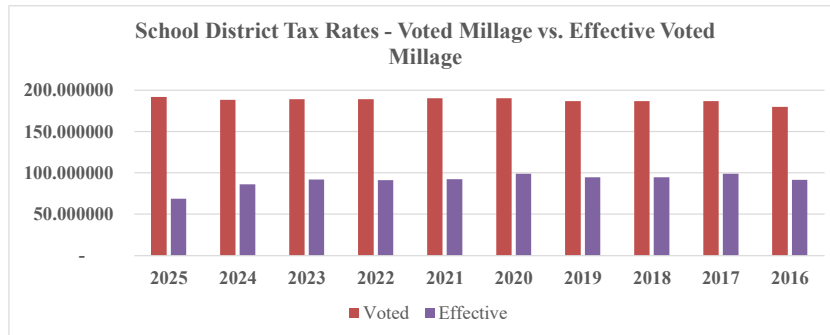
92.546473	99.059672	94.724326	94.562135	99.073599	91.727051
115.887977	132.234080	127.926587	127.864305	126.993022	117.121815
190.480000	190.480000	186.730000	186.730000	186.830000	179.930000
96.660525	103.851077	99.416548	99.176746	103.271743	95.743116

9.900000	9.900000	9.900000	9.900000	9.900000	9.900000
12.700000	12.700000	12.700000	12.700000	12.700000	12.700000

5.356669	5.325952	5.320637	3.839954	3.814384	4.000000
5.050040	5.156871	5.111647	4.000000	4.000000	4.000000
5.900000	5.900000	5.900000	4.000000	4.000000	4.000000

18.621641	17.407670	17.002586	18.484027	17.939065	17.925244
19.026440	17.980022	17.376633	18.609236	18.117612	18.167551
19.880000	19.080000	18.680000	18.180000	18.180000	18.180000

2.484851	2.479656	2.482653	2.718302	2.711249	2.711903
2.580795	2.574669	2.541737	2.740355	2.741624	2.750000
2.750000	2.750000	2.750000	2.750000	2.750000	2.750000



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS - REAL, PERSONAL, AND PUBLIC UTILITY PROPERTY
LAST TEN COLLECTION (CALENDAR) YEARS

Collection Year (1)	Current Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collection	Percent of Total Tax Collections to Current Levy (2)	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Current Tax Levy
2025	\$ 92,892,451	\$ 87,267,129	93.94%	\$ 2,689,085	\$ 89,956,214	96.84%	\$ 10,568,071	11.38%
2024	88,888,714	86,406,485	97.21%	3,706,295	90,112,780	101.38%	7,437,479	8.37%
2023	85,778,080	82,376,853	96.03%	4,254,984	86,631,837	101.00%	8,788,908	10.25%
2022	84,989,281	81,083,557	95.40%	3,753,047	84,836,604	99.82%	9,832,742	11.57%
2021	84,182,998	80,350,299	95.45%	2,861,548	83,211,847	98.85%	8,941,030	10.62%
2020	84,263,868	80,342,265	95.35%	3,026,410	83,368,675	98.94%	8,040,992	9.54%
2019	85,248,450	81,731,793	95.87%	3,215,797	84,947,590	99.65%	8,014,826	9.40%
2018	84,277,522	80,746,645	95.81%	3,516,707	84,263,352	99.98%	8,173,655	9.70%
2017	81,237,659	77,260,906	95.10%	2,487,459	79,748,365	98.17%	8,495,691	10.46%
2016	81,398,279	77,885,956	95.69%	2,401,869	80,287,825	98.64%	7,742,613	9.51%

Source: Office of the Fiscal Officer, Cuyahoga County - Data is presented on a calendar year basis because that is the manner in which the information is provided.

(1) Represents collection year.

(2) The County information does not provide the applicable year when a delinquency is collected. Thus the "total collections" represent the total collections for the year instead of total collections of a particular year. As a result "total collections" as a percent of a total levy can exceed 100% in any particular year.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**PRINCIPAL TAXPAYERS - REAL ESTATE TAXES
2025 AND 2016**

		2025	
Name of Taxpayer		Assessed Value	Percent of Real Property Assessed Value
Van Aken LLC	1	\$ 14,776,460	1.20%
MW Centers Shaker LLC ETAL	2	4,822,000	0.39%
Oliver Family LTD	3	4,338,290	0.35%
CD-HRA (Shaker Heights) LLC	4	4,074,500	0.33%
Shaker 8486-1 LLC	5	3,594,450	0.29%
SH LLC Properties	6	3,403,430	0.28%
Gator Properties	7	2,962,200	0.24%
Kemper Ambassador Holdings	8	2,788,570	0.23%
Cleveland 2-3-4 LLC	9	2,532,240	0.21%
Shaker Plaza 1 LTD	10	2,500,410	0.20%
Totals		<u>\$ 45,792,550</u>	<u>3.73%</u>
Total Assessed Valuation		<u>\$ 1,227,510,450</u>	

		2016	
Name of Taxpayer		Assessed Valuation	Percent of Real Assessed Value
Shaker MZL LLC	1	\$ 4,106,080	0.51%
Tower East Operating Association	2	2,999,610	0.37%
Oliver Family Limited	3	2,301,320	0.29%
Kirt Montlack, LTD	4	1,956,810	0.24%
Coral Shaker Square LLC	5	1,921,010	0.24%
The Residences at Avalon Station	6	1,493,680	0.19%
Van Aken Shopping Center, LTD	7	1,349,120	0.17%
Shaker Plaza LTD	8	1,343,760	0.17%
Shaker Heights County Club	9	1,163,760	0.14%
Fairpark Co.	10	1,126,630	0.14%
Totals		<u>\$ 19,761,780</u>	<u>2.32%</u>
Total Assessed Valuation		<u>\$ 803,307,940</u>	

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

(1) The amounts presented represent the assessed values upon which 2025 and 2016 collection were based.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**PRINCIPAL PROPERTY TAX PAYERS - PUBLIC UTILITIES TAXES
2025 AND 2016**

		2025	
<u>Name of Taxpayer</u>		<u>Assessed Value</u>	<u>Percent of Real Property Assessed Value</u>
Cleveland Electric Illuminating Co.	1	\$ 15,453,820	55.71%
American Transmission System	2	5,603,470	20.20%
East Ohio Gas Co.	3	5,457,810	19.68%
Totals		<u>\$ 26,515,100</u>	<u>95.59%</u>
Total Assessed Valuation		<u>\$ 27,738,150</u>	

		2016	
<u>Name of Taxpayer</u>		<u>Assessed Value</u>	<u>Percent of Real Property Assessed Value</u>
Cleveland Electric Illuminating Company	1	\$ 10,972,100	74.76%
East Ohio Gas Company	2	2,056,270	14.01%
American Transmission System, Inc.	3	1,648,970	11.23%
Totals		<u>\$ 14,677,340</u>	<u>100.00%</u>
Total Assessed Valuation		<u>\$ 14,677,340</u>	

Source: Cuyahoga County Fiscal Officer

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RATIO OF NET BONDED DEBT TO PERSONAL INCOME AND DEBT PER CAPITA
LAST TEN FISCAL YEARS

Collection Year	Population (1)	Total Estimated Actual Value	Gross Bonded Debt (2)	Less Restricted for Debt Service	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Other Debt (3)	Total Debt	Total Debt As a Percentage of Personal Income	Total Debt Per Capita
2025	28,689	\$ 3,538,693,339	\$ 135,046,364	\$ 733,610	\$ 134,312,754	3.80%	\$ 4,682	\$ 17,338,920	\$ 152,385,284	7.30%	\$ 5,312
2024	28,541	2,676,306,503	138,029,843	3,981,805	134,048,038	5.01%	4,697	18,190,369	156,220,212	7.77%	5,474
2023	28,753	2,652,397,840	28,703,143	6,053,952	22,649,191	0.85%	788	1,131,960	29,835,103	1.50%	1,038
2022	28,970	2,482,531,413	32,557,000	5,429,327	27,127,673	1.09%	936	-	32,557,000	1.81%	1,124
2021	29,439	2,485,252,247	35,485,857	4,755,468	30,730,389	1.24%	1,044	-	35,485,857	2.04%	1,205
2020	27,027	2,484,766,757	38,354,714	4,255,502	34,099,212	1.37%	1,262	-	38,354,714	2.45%	1,419
2019	27,302	2,291,181,522	41,846,351	4,903,088	36,943,263	1.61%	1,353	-	41,846,351	2.76%	1,533
2018	27,440	2,307,579,123	44,962,853	6,690,195	38,272,658	1.66%	1,395	9,900,000	54,862,853	3.81%	1,999
2017	27,448	2,311,844,338	17,320,364	3,988,776	13,331,588	0.58%	486	-	17,320,364	1.23%	631
2016	27,646	2,212,183,933	19,547,786	4,027,833	15,519,953	0.70%	561	-	19,547,786	1.42%	707

Sources:

(1) Population and Personal income can be found on Demographic Statistics

(2) Includes premiums and discounts

(3) Includes certificates of participation (COPs), capital improvement bonds, leases payable, SBITAs payable and notes payable.

Refer to the long term obligations note in the notes to the basic financial statements for a detailed break out of these amounts.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tax Valuation	<u>\$ 1,255,248,600</u>	<u>\$ 951,851,490</u>	<u>\$ 942,613,210</u>	<u>\$ 937,584,140</u>
Debt Limit - 9% of Taxable Valuation	<u>112,972,374</u>	<u>85,666,634</u>	<u>84,835,189</u>	<u>84,382,573</u>
Amount of Debt Applicable to Debt Limit				
General obligation bonds	125,095,000	127,630,000	27,455,000	31,110,000
Less: exempt bonds	(42,658,366)	(42,658,366)	-	-
Less: amount available in debt service	<u>(10,833,672)</u>	<u>(15,644,108)</u>	<u>(6,628,120)</u>	<u>(6,042,713)</u>
Amount of Debt Subject to Limit	<u>71,602,962</u>	<u>69,327,526</u>	<u>20,826,880</u>	<u>25,067,287</u>
Legal debt margin	<u>\$ 41,369,412</u>	<u>\$ 16,339,108</u>	<u>\$ 64,008,309</u>	<u>\$ 59,315,286</u>
Legal debt margin as a percentage of the debt limit	36.62%	19.07%	75.45%	70.29%
Unvoted debt limit - 0.10% of taxable valuation (1)	1,255,249	951,851	942,613	937,584
Amount of Debt Subject to Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted legal debt margin	<u>\$ 1,255,249</u>	<u>\$ 951,851</u>	<u>\$ 942,613</u>	<u>\$ 937,584</u>
Unvoted legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%
Energy conservation debt limit - 1.00% of assessed value (1)	12,552,486	9,518,515	9,426,132	9,375,841
Amount of Debt Subject to Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted legal debt margin	<u>\$ 12,552,486</u>	<u>\$ 9,518,515</u>	<u>\$ 9,426,132</u>	<u>\$ 9,375,841</u>
Unvoted legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%

Source: Cuyahoga County Fiscal Officer and School District Financial Records

(1) The definition of tax valuation for the purpose of calculating the debt margin was modified by HB530, effective 3/30/06, to exclude 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 operations.

(2) Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.

2021	2020	2019	2018	2017	2016
<u>\$ 881,037,190</u>	<u>\$ 881,139,380</u>	<u>\$ 880,201,850</u>	<u>\$ 811,941,470</u>	<u>\$ 816,994,190</u>	<u>\$ 817,985,280</u>
<u>79,293,347</u>	<u>79,302,544</u>	<u>79,218,167</u>	<u>73,074,732</u>	<u>73,529,477</u>	<u>73,618,675</u>
35,485,857	38,354,714	41,846,351	44,962,853	17,320,364	19,547,786
-	-	-	-	-	-
<u>(4,755,468)</u>	<u>(5,146,321)</u>	<u>(4,903,088)</u>	<u>(6,690,195)</u>	<u>(3,988,776)</u>	<u>(3,802,098)</u>
<u>30,730,389</u>	<u>33,208,393</u>	<u>36,943,263</u>	<u>38,272,658</u>	<u>13,331,588</u>	<u>15,745,688</u>
<u>\$ 48,562,958</u>	<u>\$ 46,094,151</u>	<u>\$ 42,274,904</u>	<u>\$ 34,802,074</u>	<u>\$ 60,197,889</u>	<u>\$ 57,872,987</u>
61.24%	58.12%	53.37%	47.63%	81.87%	78.61%
881,037	881,139	880,202	811,941	816,994	817,985
-	-	-	-	-	-
<u>\$ 881,037</u>	<u>\$ 881,139</u>	<u>\$ 880,202</u>	<u>\$ 811,941</u>	<u>\$ 816,994</u>	<u>\$ 817,985</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
8,810,372	8,811,394	8,802,019	8,119,415	8,169,942	8,179,853
-	9,900,000	-	-	-	-
<u>\$ 8,810,372</u>	<u>\$ (1,088,606)</u>	<u>\$ 8,802,019</u>	<u>\$ 8,119,415</u>	<u>\$ 8,169,942</u>	<u>\$ 8,179,853</u>
100.00%	-12.35%	100.00%	100.00%	100.00%	100.00%

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2025

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percent Overlapping (1)</u>	<u>Amount Applicable to Shaker Heights City School District</u>
Direct:			
Shaker Heights City School District	<u>\$ 152,385,284</u>	100.00%	<u>\$ 152,385,284</u>
Overlapping:			
City of Shaker Heights	12,010,000	100.00%	12,010,000
City of Cleveland	212,295,000	1.05%	2,229,098
Cuyahoga Community College	177,515,000	2.83%	5,023,675
Cuyahoga County	<u>272,195,000</u>	2.83%	<u>7,703,119</u>
Total overlapping	<u>\$ 674,015,000</u>		<u>\$ 26,965,892</u>
Total direct and overlapping debt	<u><u>\$ 826,400,284</u></u>		<u><u>\$ 179,351,176</u></u>

Source: Ohio Municipal Advisory County

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

HISTORY OF BOND ISSUES
FOR THE YEARS 1912 - 2025

Purpose of Issue	Election Date	Issue Date	Amount of Issue
Erecting and finishing school house	July 2, 1912	August 12, 1912	\$ 60,000
Purchasing site and erecting and finishing school house thereon	N/A	May 17, 1917	100,000
Purchasing site and erecting and furnishing school house thereon and purchased real estate for playground	N/A	November 16, 1917	250,000
Completing building and purchasing site and erecting building	January 21, 1920	November 3, 1920	250,000
Erecting two schools	November 8, 1921	March 1, 1922	600,000
Moreland School and Shaker Boulevard addition	November 4, 1924	January 1, 1925	650,000
Fenway, Ludlow and High School addition	November 3, 1925	July 1, 1926	1,165,587
High School Site and Addition to Malvern	November 2, 1926	January 1, 1927	550,000
Lomond Boulevard and Furniture	November 8, 1927	April 1, 1929	500,000
Land for Lomond Junior High	November 6, 1928	January 1, 1929	78,375
Land and Furniture	November 6, 1928	July 15, 1929	75,183
High School Building	November 6, 1928	November 1, 1930	1,040,500
Furnishings High School	Unvoted	May 1, 1931	50,000
First Library Issue	November 6, 1945	April 1, 1950	150,000
Sussex Addition	November 5, 1946	January 1, 1947	200,000
Complete Sussex and Other Improvements	November 2, 1948	December 1, 1948	300,000
Second Library Issue	November 2, 1948	February 1, 1951	200,000
School Furnishings	November 2, 1948	February 1, 1951	25,000
Mercer, Senior High Music Wings, etc.	November 6, 1951	March 1, 1951	1,750,000
New Junior High, Additions to Lomond and Senior High	November 3, 1953	October 1, 1954	4,100,000
Byron Auditorium and Woodbury Gym	November 3, 1953	October 1, 1958	2,100,000
School Improvement	November 3, 1960	October 1, 1964	1,775,000
School Improvement	May 7, 1968	March 1, 1972	4,500,000
School Improvement	June 7, 1977	September 1, 1977	4,650,000
School Improvement	May 8, 1990	August 29, 1990	5,000,000
School Improvement	May 8, 1990	April 1, 1993	5,000,000
School Improvement	November 5, 1996	March 11, 1999	9,500,000
School Improvement	November 5, 1996	September 28, 2000	3,199,993
School Improvement	November 2, 2004	April 5, 2005	9,999,995
School Improvement	November 2, 2004	April 18, 2007	8,498,960
School Improvement	November 2, 2004	November 25, 2008	4,999,999
Stadium Improvements	Unvoted	October 30, 2012	830,000
Buses	Unvoted	October 30, 2012	1,000,000
Energy Conservation	Unvoted	October 30, 2012	2,340,000
School Improvement-refunding bonds issued April 25, 2018	5/2/2017 *	December 28, 2017	9,900,000
School Improvement	5/2/2017 *	April 11, 2018	20,100,000
School Improvement	November 7, 2023 *	April 4, 2024	102,660,000

Source: Shaker Heights City School District

N/A - Not Available

Note: Excludes refunding bonds issued.

* Single ballot issue included permanent improvement levy and bond issue

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY VALUE, FINANCIAL INSTITUTION DEPOSITS,
AND VALUE OF BUILDING PERMITS ISSUED
LAST TEN YEARS

Year	Property Value (1) (Real Estate Only)	Financial Institution Deposits (000's) Banks (2)	Value of Building Permits Issued (3)
2025	\$ 1,227,510,450	\$ 104,870,613	\$ 116,494,607
2024	926,706,380	107,150,452	138,329,051
2023	918,913,040	101,594,432	36,035,006
2022	916,039,550	76,515,642	46,662,275
2021	860,861,620	79,985,327	28,674,879
2020	862,375,300	55,978,432	21,121,474
2019	862,712,290	53,968,926	22,143,675
2018	795,291,310	52,132,210	79,123,687
2017	801,483,780	49,466,393	23,589,838
2016	803,307,940	49,174,840	17,053,130

Source: Ohio Bureau of Employment Service
and Federal Reserve Bank of Cleveland

- (1) Represents assessed value.
- (2) 2016 - 2025 data is from the Federal Deposit Insurance Corporation (FDIC)
Previous years' data was from the Federal Reserve Bank of Cleveland
- (3) 2017 amount includes permits issued for the Van Aken District Project and
the Townhomes of Van Aken

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**PRINCIPAL EMPLOYERS
2024 AND 2015**

Employer	Nature of Business	2024		2015	
		Employees	Rank	Employees	Rank
University Hospital Health System	Non-Profit Organization	1,331	1	1,369	2
Shaker Heights City School District	Government Entity	1,293	2	1,509	1
City of Shaker Heights	Government Entity	545	3	586	3
Hathaway Brown School	Private School	489	4	428	4
Laurel School	Private School	259	5	332	6
The Cleveland Clinic Foundation	Non-Profit Organization	226	6		
Heinen's Inc.	Grocery	222	7		
University School (Shaker Heights Campus)	Private School	187	8	244	7
Progressive Casualty Insurance Company	Insurance	174	9		
Cellular Technology Limited (CTL)	Biotech	166	10		
Protem Home Care Inc.	Medical Entity			414	5
Cuyahoga County Fiscal Officer	Government Entity			203	8
Centers for Dialysis Care	Medical Facility			196	9
Equity Engineering Group	Engineering			97	10
Total		4,892		5,378	
Total Employment within the School District		n/a		n/a	

Source: City of Shaker Heights ACFR for December 31, 2024

(n/a) Information not available

(1) The School District full-time equivalent (FTE) employees can be found on page S-44.

Note: The amounts represent calendar year

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Year	Cuyahoga County Population (1)	Shaker Heights City Population (1)	Personal Income	Per Capita Personal Income (1)	School Enrollment	Cuyahoga County Unemployment Rate (2)
2025	1,240,594	28,689	\$ 2,088,731,334	\$ 72,806	4,385	4.2%
2024	1,233,088	28,541	2,010,656,368	70,448	4,431	3.9%
2023	1,236,041	28,753	1,986,429,758	69,086	4,451	4.7%
2022	1,249,387	28,970	1,794,513,123	61,944	4,595	4.5%
2021	1,264,817	29,439	1,736,017,830	58,970	4,672	5.3%
2020	1,235,072	27,027	1,566,376,812	57,956	4,907	5.1%*
2019	1,243,857	27,302	1,517,008,328	55,564	4,899	4.6%
2018	1,248,514	27,440	1,438,981,040	52,441	4,955	5.1%
2017	1,249,352	27,448	1,413,132,832	51,484	5,111	5.4%
2016	1,255,921	27,646	1,372,623,900	49,650	5,260	5.0%

Sources:

(1) Years 2016 - 2025 from the 2010 and 2020 Federal Census as, updated annually by the U.S. Census Bureau

(2) From the U.S. Department of Labor

* To be consistent with prior year reporting, the unemployment rate is as of February 2020, which was pre-COVID-19

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**BUILDING STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2025***	2024	2023	2022
Boulevard Elementary School				
Constructed in 1914				
Total Building Square Footage	48,000	48,000	48,000	48,000
Enrollment Grades K - 4	380	284	302	295
Student Capacity	384	384	384	384
Regular Instruction Classrooms	22	22	22	22
Special Instruction Classrooms	2	2	2	2
Fernway Elementary School				
Constructed in 1927				
Total Building Square Footage	36,224	36,224	36,224	36,224
Enrollment Grades K - 4	326	289	302	267
Student Capacity	339	339	339	339
Regular Instruction Classrooms	15	15	15	15
Special Instruction Classrooms	2	2	2	2
Lomond Elementary School				
Constructed in 1928				
Total Building Square Footage	65,075	65,075	65,075	65,075
Enrollment Grades K - 4	468	372	371	355
Student Capacity	521	521	521	521
Regular Instruction Classrooms	25	25	25	25
Special Instruction Classrooms	3	3	3	3
Mercer Elementary School				
Constructed in 1952				
Total Building Square Footage	70,640	70,640	70,640	70,640
Enrollment Grades K - 4	397	309	308	298
Student Capacity	565	565	565	565
Regular Instruction Classrooms	24	24	24	24
Special Instruction Classrooms	4	4	4	4
Onaway Elementary School				
Constructed in 1923				
Total Building Square Footage	63,700	63,700	63,700	63,700
Enrollment Grades K - 4	463	325	389	392
Student Capacity	510	510	510	510
Regular Instruction Classrooms	23	23	23	23
Special Instruction Classrooms	5	5	5	5
Woodbury Elementary School				
Constructed in 1918				
Total Building Square Footage	0	138,350	138,350	138,350
Enrollment Grades 5 - 6	0	642	620	695
Student Capacity	0	981	981	981
Regular Instruction Classrooms	0	41	41	41
Special Instruction Classrooms	0	8	8	8

2021	2020*	2019	2018	2017	2016
48,000	48,000	48,000	48,000	48,000	48,000
295	338	326	353	357	348
384	384	544	544	544	544
22	22	22	22	22	22
2	2	2	2	2	2
36,224 :*	29,925	29,925	29,925	29,925	29,925
267	286	292	323	336	329
339	339	366	366	366	366
15	15	15	15	15	15
2	2	2	2	2	2
65,075	65,075	65,075	65,075	65,075	65,075
355	383	374	392	410	437
521	521	620	620	620	620
25	25	25	25	25	25
3	3	3	3	3	3
70,640	70,640	70,640	70,640	70,640	70,640
298	344	352	341	345	342
565	565	590	590	590	590
24	24	24	24	24	24
4	4	4	4	4	4
63,700	63,700	63,700	63,700	63,700	63,700
392	391	395	397	392	392
510	510	606	606	606	606
23	23	23	24	23	23
5	5	5	4	5	5
138,350	138,350	138,350	138,350	138,350	138,350
695	802	763	722	744	782
981	981	900	900	900	900
41	41	41	41	41	41
8	8	8	8	8	8

- Continued

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BUILDING STATISTICS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

	2025***	2024	2023	2022
Shaker Heights Middle School				
Constructed in 1957				
Total Building Square Footage**	133,400	133,400	133,400	133,400
Enrollment - Grades 7 - 8	939	643	650	783
Student Capacity	946	946	946	946
Regular Instruction Classrooms	26	26	26	26
Special Instruction Classrooms	7	7	7	7
Shaker Heights High School				
Constructed in 1930				
Total Building Square Footage	314,400	314,400	314,400	314,400
Enrollment - Grades 9-12	1,412	1,469	1,507	1,587
Student Capacity	1,941	1,941	1,941	1,941
Regular Instruction Classrooms	49	49	49	49
Special Instruction Classrooms	11	11	11	11
Total Shaker Heights School Buildings				
Total Building Square Footage	731,439	869,789	869,789	869,789
Enrollment - Grades PreK - 12	4,385	4,431	4,449	4,672
Student Capacity	5,206	6,187	6,187	6,187
Regular Instruction Classrooms	184	225	225	225
Special Instruction Classrooms	34	42	42	42

* Student capacity numbers adjusted to coincide with Ohio Facilities Construction Commission's current square feet per student standards.

** Reflects Fernway's expansion during the post July 2018 fire restoration completed in Fall 2020.

*** Beginning in the 2024-25 school year the 5th and 6th grade building, Woodbury Elementary, underwent a demolition and construction project. During that year 5th graders attended an elementary school determined by their address and sixth graders attended the Middle School.

Source: School District Records

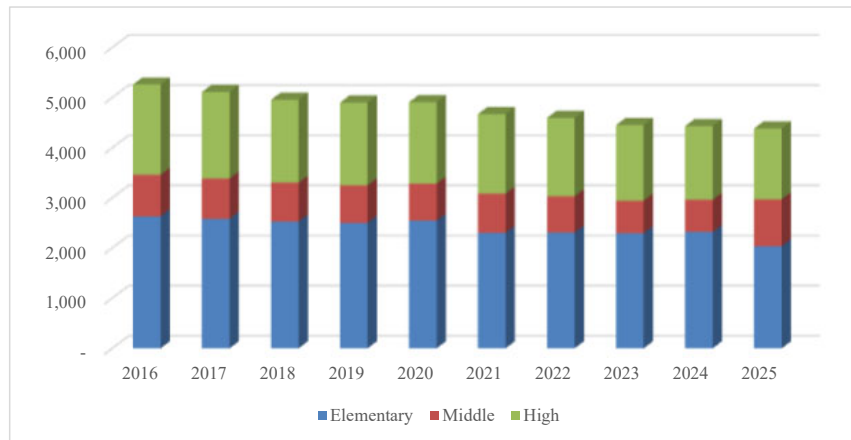
2021	2020*	2019	2018	2017	2016
133,400	133,400	133,400	133,400	133,400	133,400
783	740	750	774	802	830
946	946	1,000	1,000	1,000	1,000
26	26	26	26	26	26
7	7	7	7	7	7
314,400	314,400	314,400	314,400	314,400	314,400
1,587	1,623	1,647	1,653	1,725	1,800
1,941	1,941	2,000	2,000	2,000	2,000
49	49	49	49	49	49
11	11	11	11	11	11
869,789	869,789	863,490	863,490	863,490	863,490
4,672	4,665	4,941	4,929	5,055	5,214
6,187	6,187	6,300	6,626	6,626	6,626
225	225	225	225	226	225
42	42	42	42	41	42

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ENROLLMENT STATISTICS
LAST TEN YEARS

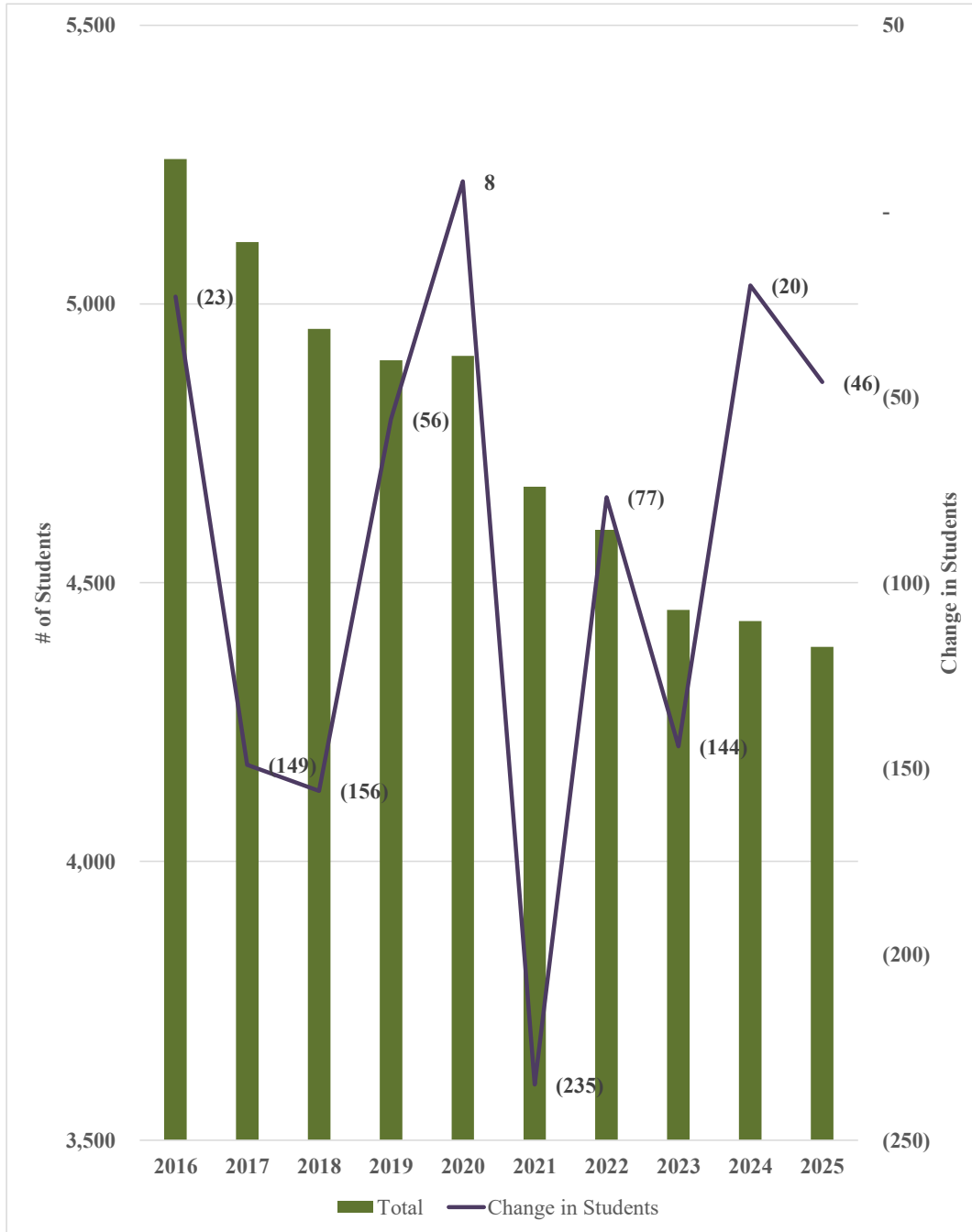
Fiscal Year	Elementary Schools	Middle School	High School	Total
2025	2,034	939	1,412	4,385
2024	2,319	643	1,469	4,431
2023	2,294	650	1,507	4,451
2022	2,307	724	1,564	4,595
2021	2,302	783	1,587	4,672
2020	2,544	740	1,623	4,907
2019	2,502	750	1,647	4,899
2018	2,528	774	1,653	4,955
2017	2,584	803	1,724	5,111
2016	2,630	830	1,800	5,260

Source: School District Records.



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**ENROLLMENT SUMMARY
LAST TEN FISCAL YEARS**

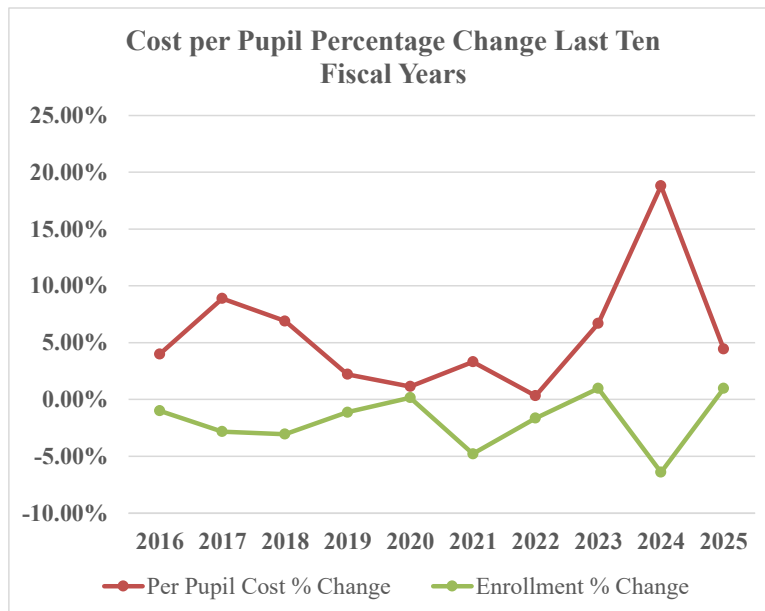


**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PER PUPIL COST
LAST TEN FISCAL YEARS

Year	General Fund Expenditures	Average Daily Student Enrollment	Per Pupil Cost
2025	\$ 122,992,632	4,385	\$ 28,048
2024	116,647,566	4,343	26,859
2023	104,902,495	4,640	22,608
2022	97,369,317	4,595	21,190
2021	98,678,691	4,672	21,121
2020	100,317,597	4,907	20,444
2019	99,017,549	4,899	20,212
2018	97,975,783	4,955	19,773
2017	94,535,435	5,111	18,496
2016	89,358,843	5,260	16,988

Source: School District Records.



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHOOL DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Regular Instruction										
Elementary Classroom Teachers (b) (c)	135.500	171.000	176.000	193.760	168.658	157.730	158.067	168.742	165.700	167.058
Middle School Classroom Teachers	73.500	50.000	58.000	60.225	59.125	58.225	58.425	59.425	58.925	59.325
High School Classroom Teachers (b) (c)	112.000	113.000	108.000	109.125	108.925	105.025	106.525	109.625	110.925	111.625
	<u>321.000</u>	<u>334.000</u>	<u>342.000</u>	<u>363.110</u>	<u>336.708</u>	<u>320.980</u>	<u>323.017</u>	<u>337.792</u>	<u>335.550</u>	<u>338.008</u>
Special Instruction										
Preschool Teachers	10.000	10.000	10.000	7.430	5.000	5.000	5.000	5.000	5.000	3.000
Elementary Classroom Teachers (c)	26.000	34.000	31.875	26.000	19.000	25.000	24.000	24.000	23.000	23.500
Gifted/Enrichment Teachers	3.000	2.000	2.000	8.000	8.000	8.000	8.000	8.000	8.000	8.000
Middle School Classroom Teachers	18.000	14.000	9.000	10.000	10.000	10.000	9.000	11.000	10.000	9.000
High School Classroom Teachers (b) (c)	21.000	21.000	23.125	25.000	14.000	14.000	14.000	14.600	14.200	14.200
	<u>78.000</u>	<u>81.000</u>	<u>76.000</u>	<u>76.430</u>	<u>56.000</u>	<u>62.000</u>	<u>60.000</u>	<u>62.600</u>	<u>60.200</u>	<u>57.700</u>
Vocational Instruction										
High School Classroom Teachers	2.000	2.000	2.000	3.000	0.000	0.000	0.000	0.000	0.000	0.000
	<u>2.000</u>	<u>2.000</u>	<u>2.000</u>	<u>3.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Pupil Support Services										
Teacher Aides	94.000	92.200	88.750	91.475	113.025	115.025	112.150	108.575	105.675	104.620
Support Teachers (c)	0.000	0.000	0.000	0.000	27.180	37.610	36.430	36.930	36.850	33.397
Guidance Counselors	17.000	16.000	16.000	13.000	13.000	13.000	12.000	12.000	12.000	12.000
Librarians and Library Technicians	13.000	7.000	8.000	8.000	8.000	7.600	8.000	8.000	8.000	8.000
Psychologists	7.000	8.000	8.900	9.900	10.900	10.900	10.900	10.900	9.780	8.778
Speech & Lang. Pathologists	7.000	6.000	6.000	5.000	5.000	6.000	6.000	6.000	5.600	5.600
Nurse	8.000	8.000	9.000	9.000	9.000	9.000	9.000	8.860	8.860	8.930
Other Professional	23.800	24.800	19.800	4.000	3.000	2.000	3.000	2.000	1.000	1.000
	<u>169.800</u>	<u>162.000</u>	<u>156.450</u>	<u>140.375</u>	<u>189.105</u>	<u>201.135</u>	<u>197.480</u>	<u>193.265</u>	<u>187.765</u>	<u>182.325</u>
Administrators										
Elementary	7.000	11.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000
Middle School	4.000	4.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
High School	6.000	6.000	6.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Districtwide (Certified and Classified)	17.000	13.550	16.000	18.000	18.000	17.000	18.000	18.000	18.000	17.500
	<u>34.000</u>	<u>34.550</u>	<u>34.000</u>	<u>35.000</u>	<u>35.000</u>	<u>34.000</u>	<u>35.000</u>	<u>35.000</u>	<u>35.000</u>	<u>34.500</u>
Operation of Plant										
Custodians	47.000	47.000	51.000	57.000	57.000	57.000	57.000	56.000	57.000	57.000
Maintenance and Groundskeeping	12.000	16.000	14.000	14.000	14.000	14.000	14.000	14.000	14.000	14.000
	<u>59.000</u>	<u>63.000</u>	<u>65.000</u>	<u>71.000</u>	<u>71.000</u>	<u>71.000</u>	<u>71.000</u>	<u>70.000</u>	<u>71.000</u>	<u>71.000</u>
Pupil Transportation										
Bus Drivers	21.250	21.375	22.750	25.875	30.250	32.125	30.875	30.875	30.875	30.625
Mechanics	2.000	4.000	3.000	4.000	4.000	4.000	3.000	3.000	3.000	3.000
	<u>23.250</u>	<u>25.375</u>	<u>25.750</u>	<u>29.875</u>	<u>34.250</u>	<u>36.125</u>	<u>33.875</u>	<u>33.875</u>	<u>33.875</u>	<u>33.625</u>
Other										
Supervisor/Administrator	51.500	51.000	50.000	46.500	43.649	42.649	42.649	41.649	37.859	35.850
OAPSE	48.000	46.000	48.000	51.219	51.219	52.819	51.800	53.800	53.800	53.533
Security	27.000	26.125	24.125	26.125	23.125	26.125	23.125	21.500	21.500	22.125
Data Processing (a)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000	4.000
	<u>126.500</u>	<u>123.125</u>	<u>122.125</u>	<u>123.844</u>	<u>117.993</u>	<u>121.593</u>	<u>117.574</u>	<u>116.949</u>	<u>117.159</u>	<u>115.508</u>
Total Employees	813.550	825.050	823.325	842.634	840.056	846.833	837.946	849.481	840.549	832.666

Method: Based on % of full time equivalency for respective staff position.

(a) Effective July 1, 2017, the Data Processing positions were reclassified to the Supervisor/Administrator category.

(b) Effective January 1, 2022, all Support Teachers were reclassified to SHTA Teacher positions.

(c) 2021 amounts reclassified for comparability to fiscal year 2022 presentation amounts.

Source: School District Records

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**FULL-TIME EQUIVALENT CERTIFIED SCHOOL DISTRICT TEACHERS BY EDUCATION
LAST TEN FISCAL YEARS**

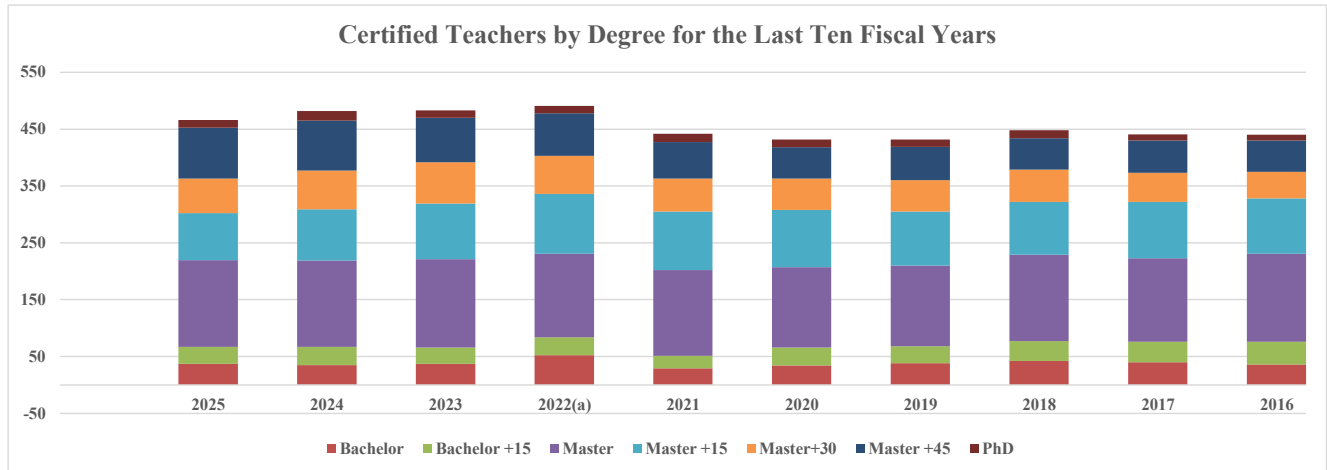
Degree	2025	2024	2023	2022(a)	2021	2020	2019	2018	2017	2016
Bachelor	37	35	37	52	29	34	38	42	40	36
Bachelor +15	30	32	29	32	22	32	30	35	36	40
Master	153	152	155	147	151	141	142	152	147	155
Master +15	83	90	98	105	103	101	95	93	99	97
Master+30	61	68	73	67	58	55	55	57	51	47
Master +45	89	88	78	75	64	55	59	55	57	55
PhD	14	17	13	13	15	14	13	14	11	10
Total	466	482	483	491	442	432	432	448	441	440

Years of Experience

0 - 5	33	45	40	48	49	60	76	90	100	106
6 - 10	73	86	113	115	98	97	89	98	88	88
11 and Over	360	351	330	328	295	275	267	260	253	246
Total	466	482	483	491	442	432	432	448	441	440

(a) Effective January 1, 2022, all Support Teachers were reclassified to SHTA Teacher positions.

Source: School District Records



**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**COLLEGE ADMISSIONS FOR ALL STUDENTS
LAST TEN SCHOOL YEARS**

Class	Percent of Four - Year	Percent of Two - Year	Total Percent
2025	74	9	83
2024	68	7	75
2023	70	10	80
2022	71	8	79
2021	71	9	80
2020	67	20	87
2019	69	10	79
2018	71	13	84
2017	68	15	83
2016	68	15	83

Sources: School District Records

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NATIONAL MERIT AND NATIONAL ACHIEVEMENT RECOGNITION
LAST TEN SCHOOL YEARS

Class	National Merit (all students)	National Hispanic Scholars	Percent of Shaker Seniors Honored	Percent of United States Seniors Honored
2025	13	0	4%	1%
2024	8	0	2%	1%
2023	15	0	4%	1%
2022	32	0	8%	1%
2021	22	0	6%	1%
2020	19	0	5%	1%
2019	23	2	6%	1%
2018	21	0	5%	1%
2017	21	0	5%	1%
2016	27	0	7%	1%

Source: School District Records

**SHAKER HEIGHTS CITY
SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SINGLE AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2025**

Zupka & Associates
Certified Public Accountants

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Expenditures	Non-Cash Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Passed through Ohio Department of Education and Workforce</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	\$ 376,372	\$ 0
National School Lunch Program	10.555	894,758	113,294
Total Child Nutrition Cluster		<u>1,271,130</u>	<u>113,294</u>
Total U.S. Department of Agriculture		<u>1,271,130</u>	<u>113,294</u>
<u>U.S. Department of Education</u>			
<i>Passed through Ohio Department of Education and Workforce</i>			
Title I - Grants to Local Educational Agencies - 2024	84.010	20,266	0
Title I - Grants to Local Educational Agencies - 2025	84.010	750,875	0
Title I - SSI	84.010	96,965	0
Title I - EOEC	84.010	42,861	0
<i>Total ALN #84.010</i>		<u>910,967</u>	<u>0</u>
Special Education Cluster (IDEA):			
Special Education - Grants to States - 2024	84.027	243,634	0
Special Education - Grants to States - 2025	84.027	1,202,757	0
Special Education - Preschool Grants - 2024	84.173	5,881	0
Special Education - Preschool Grants - 2025	84.173	19,311	0
Total Special Education Cluster		<u>1,471,583</u>	<u>0</u>
Student Support and Academic Enrichment - 2024	84.424	18,230	0
Student Support and Academic Enrichment-Growing Strong Connections	84.424	1,719	0
<i>Total ALN #84.424</i>		<u>19,949</u>	<u>0</u>
English Language Acquisition Grant - 2024	84.365	3,696	0
English Language Acquisition Grant - 2025	84.365	15,707	0
<i>Total ALN #84.365</i>		<u>19,403</u>	<u>0</u>
Supporting Effective Instruction State Grants - 2025	84.367	<u>97,350</u>	<u>0</u>
Education Stabilization Fund:			
COVID-19 ARP ESSER - Reaching All Students	84.425U	26,962	0
<i>Total ALN #84.425</i>		<u>26,962</u>	<u>0</u>
Total U.S. Department of Education		<u>2,546,214</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 3,817,344</u>	<u>\$ 113,294</u>

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

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Shaker Heights City School District under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented 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 Shaker Heights City School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Shaker Heights City School District.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3: INDIRECT COST RATE

Shaker Heights City School District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4: CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE 5: FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

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

Shaker Heights City School District
Cuyahoga County
15600 Parkland Drive
Shaker Heights, Ohio 44120

To the Members of the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Shaker Heights City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 17, 2026, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*.

Report on Internal Control Over Financial Reporting

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

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

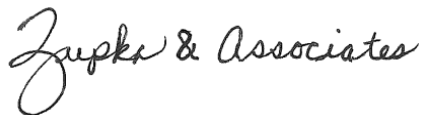
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of This Report

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

A handwritten signature in cursive script that reads "Zupka & Associates".

Zupka & Associates
Certified Public Accountants

April 17, 2026

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

Shaker Heights City School District
Cuyahoga County
15600 Parkland Drive
Shaker Heights, Ohio 44120

To the Members of the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Shaker Heights City School District, Cuyahoga County, Ohio's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Shaker Heights City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted an audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements to the 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.

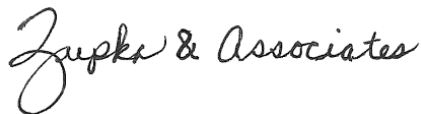
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated April 17, 2026, which contained unmodified opinions on those financial statements wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Zupka & Associates
Certified Public Accountants

April 17, 2026

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
UNIFORM GUIDANCE
JUNE 30, 2025**

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

2025(i)	Type of Financial Statement Opinion	Unmodified
2025(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2025(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2025(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2025(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2025(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2025(v)	Type of Major Programs' Compliance Opinions	Unmodified
2025(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2025(vii)	Major Programs (list): Child Nutrition Cluster: School Breakfast Program - ALN #10.553 National School Lunch Program - ALN #10.555 Title I - Grants to Local Educational Agencies - ALN #84.010	
2025(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2025(ix)	Low Risk Auditee?	No

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.

**SHAKER HEIGHTS CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The audit report for the fiscal year ending June 30, 2024, contained no audit findings.

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OHIO AUDITOR OF STATE KEITH FABER



SHAKER HEIGHTS 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 7/23/2026

65 East State 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