



OHIO AUDITOR OF STATE
KEITH FABER



AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

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**AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through Ohio Department of Education</i>			
Child Nutrition Cluster:			
National School Lunch Program - Commodities	10.555	N/A	41,794
National School Lunch Program	10.555	N/A	62,611
COVID-19 National School Lunch Program	10.555	N/A	659,822
Total Child Nutrition Cluster			<u>764,227</u>
Total U.S. Department of Agriculture			<u>764,227</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Educational Service Center of Lorain County</i>			
COVID-19 CRF Technology	21.019	N/A	10,000
Total U.S. Department of Education			<u>10,000</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through Ohio Department of Education</i>			
Title I			
Title I, Grants to Local Educational Agencies	84.010	N/A	167,837
Expanding Opportunities for Each Child	84.010A	N/A	3,380
Total Title I			<u>171,217</u>
Title II-A, Supporting Effective Instruction State Grants	84.367	N/A	72,034
Title IV-A, Student Support and Academic Enrichment Prog	84.424	N/A	13,229
Special Education Cluster:			
Special Education Part B Grants	84.027	N/A	742,737
Special Education Preschool Grant	84.173	N/A	18,986
Special Education IDEA Restorative	84.027A	N/A	106,490
Special Education Preschool Restorative	84.173A	N/A	1,250
Total Special Education Cluster			<u>869,463</u>
ESSER Fund Cluster			
COVID-19 ESSER	84.425D	N/A	124,238
COVID-19 ESSER II	84.425D	N/A	30,574
Total ESSER Funds			<u>154,812</u>
COVID-19 CRF Broadband Connectivity	21.019	N/A	138,513
COVID-19 CRF Suburban	21.019	N/A	164,807
Total U.S. Department of Education			<u>1,594,075</u>
Total Expenditures of Federal Awards			<u><u>\$2,358,302</u></u>

The accompanying notes are an integral part of this schedule.

**AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY**

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

NOTE F - MATCHING REQUIREMENTS

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

**AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY**

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

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

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

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Transferred</u>
Elementary and Secondary School Emergency Relief Fund	84.425D	\$12,044

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OHIO AUDITOR OF STATE KEITH FABER



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

Avon Lake City School District
Lorain County
175 Avon Belden Road
Avon Lake, Ohio 44012

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avon Lake City School District, Lorain County, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 29, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Keith Faber
Auditor of State
Columbus, Ohio

December 29, 2021

OHIO AUDITOR OF STATE KEITH FABER



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

Avon Lake City School District
Lorain County
175 Avon Belden Road
Avon Lake, Ohio 44012

To the Board of Education:

Report on Compliance for the Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Avon Lake City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. 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 Avon Lake City School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 29, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

December 29, 2021

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**AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

**AVON LAKE
CITY SCHOOL DISTRICT
AVON LAKE, OHIO**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**AVON LAKE CITY SCHOOL DISTRICT
AVON LAKE, OHIO**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Prepared by

**Autumn Reed
Treasurer**

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Avon Lake City School District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021
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AVON LAKE CITY SCHOOLS

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December 29, 2021

Board of Education Members and Residents of
Avon Lake City School District

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Avon Lake City School District for the fiscal year ended June 30, 2021. This ACFR includes an opinion from the State Auditor and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the Avon Lake City School District with the comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the Avon Lake Public Library, major taxpayers, financial rating services and other interested parties.

The School District

The Avon Lake City School District is located in a residential/commercial suburban community in eastern Lorain County, twenty-five miles west of Cleveland. In 1850, the first log cabin school was built, and as the need arose, four brick one-room school buildings were built. In 1921, a \$ 125,000 bond issue was passed to build a centralized school that is now a section of Avon Lake High School.

In order to meet the needs of a growing community, the high school was expanded several times. In the mid-1970's instructional classrooms and a physical education complex were added and the Learwood Middle School, Erieview Elementary, Eastview Elementary, Westview Elementary, Redwood Elementary and Troy Junior High School were constructed. Troy Junior High School was closed for educational purposes in 1982 because of the energy crisis and decreased enrollment. In 1988, Troy Junior High was reopened as the Avon Lake Community Education Center. The Community Education Center ceased to operate in the Troy Building as of July, 1991 due to the economy of operations. The Troy Intermediate School building was reopened for instruction beginning in the fall of 1995. In 1999, Avon Lake City Schools began a building project that added classrooms to all six (6) buildings. Avon Lake High School completed a major renovation, which included additional physical education facilities and an auditorium that hosted the Cleveland Pops Orchestra for the dedication of the facilities. In 2009, two (2) additional bond issues were passed totaling \$ 18,500,000. These renovations and additions began in March 2010 on the stadium portion of the project with completion of the stadium renovations by August 2010. Classroom additions to five (5) buildings began in May 2010 and completed August 2011. A new Transportation Center opened in the summer of 2011 and currently houses 33 buses and 2 vans. These projects were necessary to keep up with the growing enrollment. Today the citizens have an investment of \$ 104,414,576 in the School District land, land improvements, buildings, furniture and equipment, and vehicles (excludes accumulated depreciation).

The legislative power of the School District is vested in the Board of Education. Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide services authorized by charter and further mandated by State and Federal agencies.

The mission of the Avon Lake City Schools, a district committed to personalized educational excellence, is to challenge all students and develop their individual goals through community partnerships, resources, and technologies which will produce responsible and compassionate citizens.

Reporting Entity

The School District has reviewed its reporting entity definition in order to ensure conformance with Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No.14 and No.34". In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Avon Lake City School District (the primary government) and its potential component units. The School District has no component units.

The School District participates in five jointly governed organizations and is associated with one related organization. These organizations are Connect, the Lorain County Joint Vocational School District, the Ohio Schools Council, Suburban Health Consortium and the Avon Lake Public Library. These organizations are presented in Notes 15 and 16 to the basic financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

Organizational Structure

The Avon Lake City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally elected Board of Education consisting of five members elected at-large for staggered four year terms. The School District provides educational services as mandated by State and federal agencies.

The School District is located in Avon Lake, Lorain County, Ohio, and includes an area extending roughly twelve square miles around the City. It is staffed by 252 non-certified personnel, 267 certified full-time teaching personnel and 20 administrative employees to provide services to 3,729 students and other community members. The School District operates 4 elementary schools (K-4), 1 intermediate school (5-6), 1 middle school (7-8) and 1 high school (9-12).

Economic Condition and Outlook

The School District's tax base is primarily residential at 82% of the tax base followed by 11% commercial/industrial and 7% public utility personal property. House Bill 920 (H.B. 920), passed by the Ohio legislature in 1976, prohibits the inflationary growth of revenue generated by most voted tax issues. When the value of taxable property in the school district changes, the tax rates are adjusted so income, or voted dollars, will remain about the same. Historically, millage rates have been adjusted or rolled back due to a positive reappraisal. The School District's millage rates were rolled back for many years; however, the City of Avon Lake experienced a negative reappraisal and triennial update in 2009 and 2015 respectively; therefore, the inverse occurred and millage rates were rolled up (never exceeding the original voted rate).

The financial future of the School District is not without its challenges locally. The School District is home to several businesses, but since 2013 has focused discussion around its largest taxpayer a coal fired power plant located along the shoreline of Lake Erie. The power plant has contested both its real property and public utility personal property (PUPP) valuations for several of the previous tax years. Under Ohio law, a school district may file a counter complaint against a real property appeal; however, there is no recourse or due process for a school district to dispute PUPP values set by the Ohio Department of Taxation (ODT). The County Auditor determines the value of all real property; whereas, PUPP values are assessed by ODT. The School District's reliance on local property taxes will continue to be a challenge locally for the District. Externally, the State funding model continues to create apprehension for the School District. Unfunded State and Federal mandates will also continue to present challenges for the School District.

Avon Lake City School District works collaboratively with the City of Avon Lake on economic development. New business and the growth of existing businesses are both vital to a continuation or improvement of services that depend on local tax dollars to operate. With Lake Erie to the North and not being situated on an interstate, Avon Lake must find other ways to attract and grow businesses.

One tool that is available to the city is to offer abatements. Avon Lake City School District is involved when the City is negotiating with businesses and an abatement may be involved if the business is expanding or moving to Avon Lake. Excellent city services is a positive for Avon Lake Schools as it attracts families and creates a stable enrollment. If no businesses move to Avon Lake there is no added property tax or possible PUPP tax. Even though Avon Lake may only receive part of the property tax for new development or expansion for a set number of years, it will eventually get those tax dollars.

If new businesses do not come to Avon Lake or existing businesses expand there would never be added tax revenue for the city or schools. If an abatement helps economic growth the school district is accepting of that abatement otherwise there is no growth. Avon Lake City Schools will soon be 100 years old. Sometimes it is important to look at the “long-term” benefits of the abatement process and eventually have tax benefits rather than stopping growth due to short sightedness.

Major Initiatives

Ohio Report Card

The State of Ohio’s School District Report Card is issued in early fall of most school years depending on ODE’s (the Ohio Department of Education) ability to gather and aggregate the testing data. The report uses state test data from the previous school year to inform the public of the School District’s performance and to supply the school district with data for planning and programing. The Avon Lake City School District demonstrated 10 years of Excellence with Distinction through the 2011-2012 Ohio Local Report Card. The rating system used by the Ohio State Board of Education changed beginning with the 2012-2013 school year. The Local Report Card from 2014 to 2021 was comprised of different components with letter grades assigned within each component.

Since the change, the District has received an A or B in the Achievement component for both Performance Index and Indicators Met. Starting in 2019 Districts were assigned a “District Grade.” Avon Lake’s last District Grade is an A. The lowest letter grade received on the State Report Card by Avon Lake City School District is a C in Improving At-Risk K-3 Readers. Even though the State of Ohio did not assign “District Grades” in 2021 due to the Coronavirus crisis, Avon Lake continues to improve and has a variety of initiatives in place to raise or maintain our scores. Avon Lake is dedicated to the success of all of our students and uses a variety of assessments (testing, non-testing, co-curricular, extra-curricular, academic and non-academic) which allow staff to focus on the success of the whole child. Starting in 2021-2022 the State Report Card will use a star system.

Federal Projects

The School District files applications for federal funds electronically utilizing the Comprehensive Continuous Improvement Planning Application. This allows the Superintendent, Mr. Robert Scott, to coordinate the applications to the goals of the Continuous Improvement Plan. The School District continues to apply for all federal funds for which the School District is eligible. This includes the Class-Size Reduction Grant under Title II-A allowing for additional teachers in the primary grades. Student readiness for advancement in each grade has been the primary focus of these services. The School District’s largest federal award generally is related to the Special Education, Part B-IDEA grant. Through the use of federal stimulus funding, the School District added two special education classrooms at Redwood Elementary in fiscal year 2012. Additional federal funding was provided to school districts related to the COVID-19 pandemic.

Educational Programs and Facilities Improvement

In May 1999, the voters of Avon Lake City School District passed a \$41,800,000 bond issue for the purpose of various improvements to school buildings. Expansions of six of the School District’s buildings and renovations to seven of the Avon Lake City School District buildings are complete. In January 2002, the high school expanded into the newly completed classrooms, cafeteria and commons area, and additional physical education areas. In the fall of 2003, newly renovated music areas were opened for student use. The auditorium was complete in the fall of 2003 and is being used by our students and our public. In November 2009, the voters of Avon Lake City School District passed two bond issues. The first bond issue was for \$5,500,000 to renovate the athletic stadium and build a Transportation Center to house 40 buses. The second bond issue passed in November 2009 for \$13,000,000 was used to renovate classroom space at five of seven educational campuses.

In addition to the above renovation projects, the Avon Lake City School District has continued to remain proactive in both maintaining and improving all district facilities. Some of these improvements include security enhancements, such as, the 2013 project that redesigned the entrance to Troy Intermediate School to assure a more secure and streamlined access way into the building. The Avon Lake City School District has also remained committed to the technology required to enhance and expand the use of security cameras across the school district. This along with roof replacements/repairs, replacement of both driveways and sidewalks, along with purchases of new classroom desks and chairs provides our students with a safe and comfortable learning environment.

Avon Lake City School District continues to maintain, modify and establish educational programs that are rigorous and prepare students for success after graduation. Excellent pre-kindergarten through 12th grade program alignment is key as annually 92% of Avon Lake graduates attend 2 year colleges, 4 year colleges or enter the military. On the average more than 60% of our students receive college credit without leaving our campus.

Website

The District website is a comprehensive source of information about the School District. Users of the site can access information on news from the schools and various departments, teacher web sites, athletic information, and upcoming events. Parents are granted access to the District's PowerSchool program for online access to student grades and other information posted by teachers. Avon Lake City School District's website is updated annually.

Social Media plays an important part in the district communication plan. The School District has a Facebook page and Twitter account, which are utilized to communicate current events. In 2020 the School District adopted "School Messenger" as its single source for communicating with parents.

Financial Information

Internal Accounting and Budgetary Control

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

The School District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

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

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

All disbursements and transfers of cash between funds require appropriation authority from the Board of Education. Budgets are controlled at the fund level. All purchase order requests must be approved by the Purchasing Agent and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests that exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date.

The basis of accounting and the various funds utilized by Avon Lake City Schools are fully described in Note 1 of the basic financial statements.

Financial Condition

The School District's basic financial statements consist of the following:

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

Fund financial statements - These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

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

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the School District. This discussion follows the Independent Auditor's Report, providing an assessment of the District's finances for fiscal year 2021 and a discussion of current issues affecting the School District in the future. The MD&A should be read in conjunction with this letter of transmittal.

Long-Term Financial Planning

Annually, the School District prepares a five-year financial forecast. The financial forecast is the foundation for the School District's operations and is used as a financial planning tool to assist the School District in determining its ability to meet certain financial obligations and plan future funding needs. The five-year forecast of revenue and expenditures serves as a financial planning tool, which provides a snapshot of historical and projected revenues and expense over the next five years and is accompanied by financial assumption notes. The assumptions are an integral part of the forecast and represent what the School District believes are significant factors impacting the forecast. Through a collaborative process, the administration assists the Board of Education in determining and prioritizing the needs of the School District. In accordance with State law, the Board of Education approves the financial forecast and submits it to the Ohio Department of Education prior to November 30 and approves an updated version prior to May 31. The financial forecast can be found on the School District's web site at www.avonlakecityschools.org.

Independent Audit

State statute requires the School District to be audited at least every two fiscal years by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent Auditor Keith Faber, Auditor of State, rendered an opinion on the School District's financial statements as of and for the year ended June 30, 2021. The opinion appears at the beginning of the financial section of this report.

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

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 Avon Lake City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards 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 Comprehensive Annual 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 conforms to the Certificate of Achievement program requirements and we are submitting it to GFOA for consideration.

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, 2020 to the Avon Lake City School District. This award certifies that the Comprehensive Annual 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.

Management believes that the Annual Comprehensive Financial Report for fiscal year ended June 30, 2021, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

The Auditor of State's Office presents awards to public entities that meet the requirements of a "clean" audit. The Avon Lake City Schools has been the recipient of the Auditor of State's award for the following years: 1999, 2000, 2002, 2006, 2007, 2008, 2009, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020. The district considers this the highest of all honors.

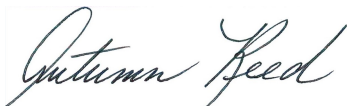
Acknowledgments

The publication of this Annual Comprehensive Financial Report is a significant step toward elevating the professional standards for Avon Lake City School District's financial reporting. It enhances the School District's accountability to the residents and provides all interested parties with a broad historical perspective of the Avon Lake City School District's financial and demographic information. Assistance from the County Auditor's staff and outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to Costin and Kendall, CPA's for assistance in the planning, designing and reviewing, of this financial report.

Finally, sincere appreciation is extended to the members of the Board of Education for their ongoing support.

Respectfully submitted,



Autumn Reed, Treasurer



Robert D. Scott, Superintendent

Avon Lake Board of Education

Principal Officials
June 30, 2021

Board of Education

Mr. James A. Stobe.....	President
Mrs. Pamela Ohradzansky.....	Vice - President
Mr. Dale W. Cracas.....	Member
Mr. Ronald D. Jantz, Jr.....	Member
Mr. Michael P. Sherban.....	Member

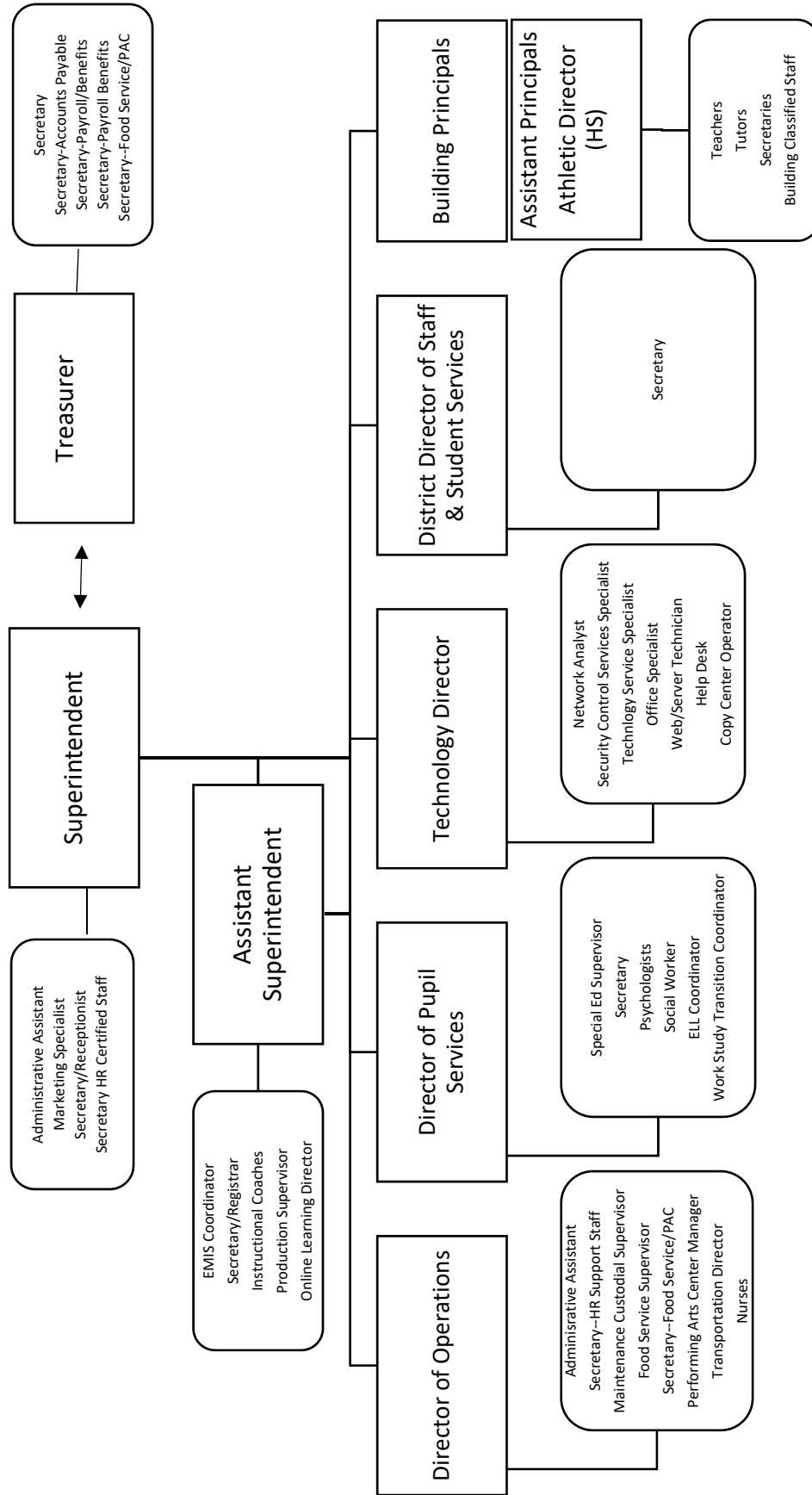
Treasurer

Ms. Autumn Reed

Administration

Mr. Robert D. Scott.....	Superintendent
Mr. Thomas R. Barone.....	Business Manager

Avon Lake City Schools Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Avon Lake City School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Avon Lake City School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

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



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director

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**FINANCIAL
SECTION**



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OHIO AUDITOR OF STATE KEITH FABER



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

INDEPENDENT AUDITOR'S REPORT

Avon Lake City School District
Lorain County
175 Avon Belden Road
Avon Lake, Ohio 44012

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Avon Lake City School District, Lorain County, Ohio (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Avon Lake City School District, Lorain County, Ohio, as of June 30, 2021, and the respective changes in financial position thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods for the District. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report dated December 29, 2021, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

December 29, 2021

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Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

The management's discussion and analysis of the Avon Lake City School District's (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, basic financial statements and 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 2021 are as follows:

- In total, net position for governmental activities decreased by \$ 5,566,386 in 2021.
- Revenues for governmental activities totaled \$ 50,720,504 for fiscal year 2021. Of this total \$ 46,811,708 or 92.29 percent consisted of general revenues while program revenues accounted for the balance of \$ 3,908,796 or 7.71 percent.
- Program expenses totaled \$ 56,286,890. Instructional expenses made up \$ 32,944,038 or 58.53 percent of this total while support services accounted for \$ 17,822,290 or 31.66 percent. Other expenses of \$ 5,520,562 rounded out the remaining 9.81 percent.
- Total outstanding debt had a net decrease of \$ 3,818,711 to \$ 27,482,224 in fiscal year 2021.

Using this Annual Comprehensive Financial Report (ACFR)

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 begin at a summary level and expand to detailed 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 present 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 General Fund and Bond Retirement Fund are the most significant governmental funds.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as an entity looks at all financial transactions and asks the question, "How did we do financially during the 2021 fiscal year?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. Accrual basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

These two statements report the School District's net position and changes in that position. This change in net position is important because it tells the reader whether, for the School District as a whole, the financial position of the School District has improved or diminished. The cause 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, mandated educational programs, state funding, student enrollment, and general inflation.

In the Statement of Net Position and the Statement of Activities, all of the School District's activities are classified as governmental. The School District's programs and services are reported here including instruction, supporting services, operation of non-instructional services, extracurricular activities, and interest and fiscal charges.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 13. Fund financial statements 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 concentrate on the School District's most significant funds. The School District's major governmental funds are the General Fund and Bond Retirement Fund.

Governmental Funds

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 fiscal year end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements of the governmental funds.

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole.

Total assets decreased by \$ 3,320,866. This decrease can be attributed primarily to decreases of \$ 1,132,154 in taxes receivable and \$ 1,252,500 in capital assets, respectively.

Deferred outflows of resources related to pensions, other post-employment benefits (OPEB) and deferrals on debt refundings decreased by \$ 777,246.

Total liabilities increased \$ 493,566 to \$ 95,716,524 in 2021.

Deferred inflows of resources related to property taxes increased by \$ 1,338,962 and deferred inflows of resources related to pensions and OPEB had a net decrease of \$ 1,032,985.

Over time, net position can serve as an indicator of a government's financial position. At June 30, 2021, the School District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$ 16,832,327. Of this total, \$ 8,744,646 is restricted in use.

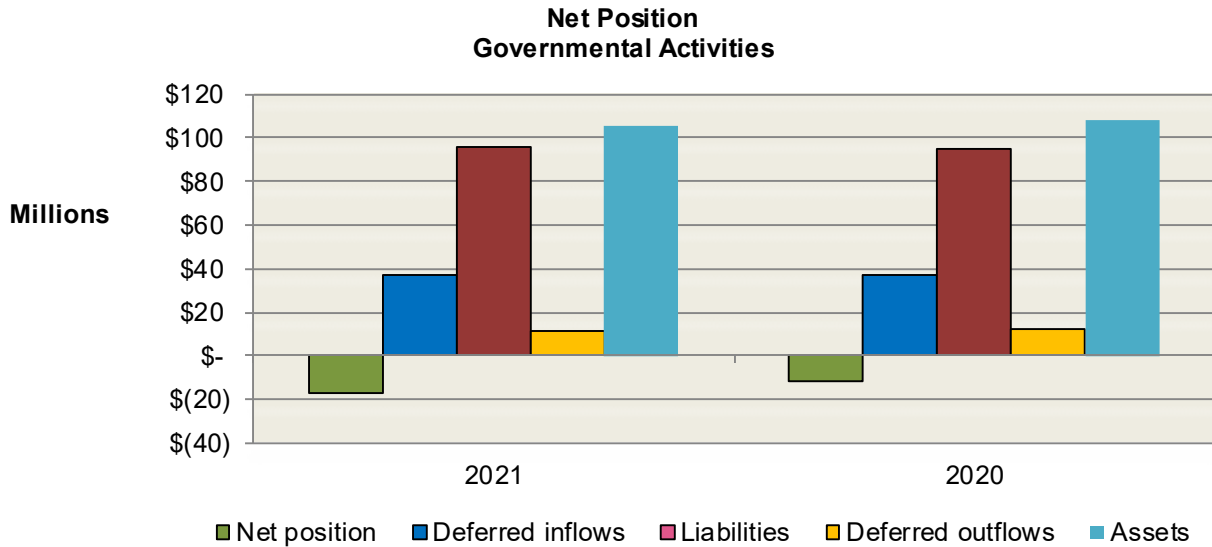
Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

Table 1 provides a summary of the School District's net position for fiscal year 2021 compared to fiscal year 2020:

TABLE I
 Total Net Position
 Governmental Activities

	2021	Restated 2020
Assets		
Current and other assets	\$ 58,342,506	\$ 60,578,155
Net OPEB asset	2,902,197	2,734,914
Total capital assets, net	43,936,939	45,189,439
Total assets	<u>105,181,642</u>	<u>108,502,508</u>
Deferred outflows of resources		
Deferred charge on refunding	534,375	1,579,849
Pension	9,399,177	9,458,237
OPEB	1,634,803	1,307,515
Total deferred outflows of resources	<u>11,568,355</u>	<u>12,345,601</u>
Liabilities		
Current liabilities	4,967,100	5,127,772
Long term liabilities		
Due within one year	3,644,232	5,105,107
Due in more than one year		
Net pension liability	52,642,866	48,292,620
OPEB liability	4,345,861	5,081,452
Other amounts	30,116,465	31,616,007
Total liabilities	<u>95,716,524</u>	<u>95,222,958</u>
Deferred inflows of resources		
Property taxes levied for next year	30,476,403	29,137,441
Deferred revenue	63,585	88,818
Deferral on refunding	696,929	-
Pension	842,462	2,774,285
OPEB	5,786,421	4,887,583
Total deferred inflows of resources	<u>37,865,800</u>	<u>36,888,127</u>
Net position		
Net investment in capital assets	18,375,711	17,000,885
Restricted	8,744,646	8,710,490
Unrestricted	(43,952,684)	(36,977,316)
Total net position	<u><u>\$(16,832,327)</u></u>	<u><u>\$(11,265,941)</u></u>

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021



The net pension and OPEB liability are the largest liabilities reported by the School District at June 30, 2021 and are reported pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27” and 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 net OPEB asset, and deferred outflows related to pension and OPEB.

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*. 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

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

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

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. 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.

Table 2 shows total revenues, expenses and changes in net position for fiscal year 2021 compared to fiscal year 2020. Total revenues for 2021 were \$ 868,912 lower than in 2020, primarily due to the amount of taxes receivable available for advance from the county auditor. Total expenses were \$ 4,525,839 higher than in 2020 primarily due to increases in wages and related expenses.

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

TABLE 2
Net Position
Governmental Activities

	2021	Restated 2020
Revenues		
Program revenues		
Charges for services and sales	\$ 876,171	\$ 1,697,216
Operating grants, interest and contributions	3,032,625	1,769,655
Total program revenues	3,908,796	3,466,871
General revenues		
Property taxes	37,012,796	38,567,875
Grants and entitlements not restricted to specific purposes	9,096,918	9,001,015
Investment earnings	219,686	488,680
Miscellaneous	482,308	64,975
Total general revenues	46,811,708	48,122,545
Total revenues	50,720,504	51,589,416
Program expenses		
Instruction	32,944,038	30,753,503
Supporting services		
Pupil and instructional staff	5,512,462	4,805,949
Board of education, administration, fiscal services and business	5,627,966	4,809,568
Operation and maintenance	4,434,688	4,289,916
Pupil transportation	1,796,924	1,863,969
Central services	450,250	432,598
Operation of non-instructional services		
Food service operation	1,197,400	1,298,033
Community services	335,204	263,514
Extracurricular activities	1,293,358	1,317,463
Interest and fiscal charges	2,694,600	1,926,538
Total expenses	56,286,890	51,761,051
Change in net position	(5,566,386)	(171,635)
Net position at beginning of year, restated	(11,265,941)	(11,094,306)
Net position at end of year	\$(16,832,327)	\$(11,265,941)

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

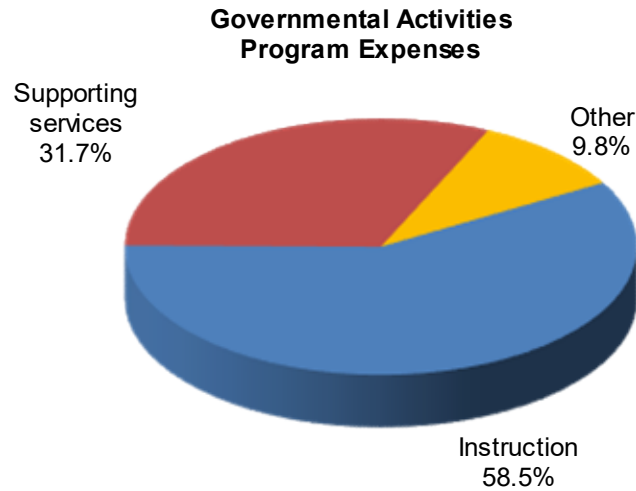
The vast majority of revenue supporting all Governmental Activities is general revenues, which accounted for \$ 46,811,708 or 92.29 percent of the total revenue. General revenues decreased \$ 1,310,837 in 2021 from 2020. The decrease is primarily due to a decrease of \$ 1,555,079 in property tax revenue, which is the result of an decrease in the amount available for advance from the county auditor. The other type of revenue that accounts for 7.71 percent of total revenue is called program revenues. Program revenues are derived directly from the program or entities outside the School District as a whole, and can help to reduce the net cost of services provided by the School District. Program revenues increased by \$ 441,925 in 2021 from 2020. This increase can primarily be attributed to an increase of \$ 1,262,970 in operating grants, interest and contributions, which was offset with a decrease of \$ 821,045 in charges for services in food service operations and extracurricular activities.

The Statement of Activities shows the total net cost of program services. Table 3 shows the total cost of services for governmental activities and the net cost of those services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

TABLE 3
 Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2021	Restated 2020	2021	Restated 2020
Program expenses				
Instruction	\$ 32,944,038	\$ 30,753,503	\$(31,344,181)	\$(29,333,416)
Supporting services				
Pupil and instructional staff	5,512,462	4,805,949	(5,214,500)	(4,405,684)
Board of education, administration, fiscal services and business	5,627,966	4,809,568	(5,591,378)	(4,809,568)
Operation and maintenance	4,434,688	4,289,916	(4,220,148)	(4,289,916)
Pupil transportation	1,796,924	1,863,969	(1,796,924)	(1,863,969)
Central services	450,250	432,598	(450,250)	(432,598)
Operation of non-instructional services				
Food service operation	1,197,400	1,298,033	(229,122)	(319,016)
Community services	335,204	263,514	(86,508)	(39,218)
Extracurricular activities	1,293,358	1,317,463	(750,483)	(874,257)
Interest and fiscal charges	2,694,600	1,926,538	(2,694,600)	(1,926,538)
Total expenses	<u>\$ 56,286,890</u>	<u>\$ 51,761,051</u>	<u>\$(52,378,094)</u>	<u>\$(48,294,180)</u>

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021



As one can see 58.5 percent of the School District's expenses were used to fund instructional expenses. Additional support services for pupils, staff, and business operation expenses were 31.7 percent. The remaining 9.8 percent of program expenses was used to facilitate other obligations of the School District such as interest and fiscal charges, the food service program, community services and various extracurricular activities. Interest expense was primarily attributable to the outstanding bonds.

The dependence upon tax revenues for governmental activities is apparent. Tax revenue comprised 73.0 percent of total revenue. The community, as a whole, is the primary support for the School District students.

The School District's Funds

Information about the School District's major funds starts on page 19. These governmental funds are accounted for using the modified accrual basis of accounting. Excluding other financing sources and uses, all governmental funds had total revenues of \$ 50,939,323 and expenditures of \$ 54,414,696. In total, the net change in fund balance was a decrease of \$ 3,272,545.

In 2021, the General Fund's total revenue was \$ 1,214,325 lower than 2020. The largest decrease was in taxes revenue. The decrease in taxes revenue is due to a decrease in the amount available for advance from the county auditor. Expenditures of the General Fund were \$ 2,123,480 higher than the prior year. The increase in General Fund expenditures is primarily due to increases in wages and related items. The most significant increases were in instruction and supporting services of \$ 706,044 and \$ 1,596,663, respectively.

The following schedule shows the significant changes between fiscal year 2021 and 2020 for the General Fund.

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

	General Fund		
	2021	Restated 2020	Change
Revenue			
Taxes	\$ 33,248,085	\$ 34,007,911	\$ (759,826)
Tuition and fees	504,044	758,465	(254,421)
Interest	219,189	478,135	(258,946)
Intergovernmental	7,833,493	7,665,328	168,165
Extracurricular	19,879	53,335	(33,456)
Miscellaneous	273,825	349,666	(75,841)
Total revenues	<u>42,098,515</u>	<u>43,312,840</u>	<u>(1,214,325)</u>
Expenditures			
Current			
Instruction	27,537,189	26,831,145	706,044
Supporting services	16,695,460	15,098,797	1,596,663
Operation of non-instructional services	52,914	123,388	(70,474)
Extracurricular activities	931,927	1,070,680	(138,753)
Total expenditures	<u>45,247,490</u>	<u>43,124,010</u>	<u>2,123,480</u>
Other financing sources (uses)			
Transfers in	3,634	109	3,525
Transfers out	(49,098)	(12,390)	(36,708)
Proceeds from sale of capital assets	37,181	8,494	28,687
Total other financing sources (uses)	<u>(8,283)</u>	<u>(3,787)</u>	<u>(4,496)</u>
Net change in fund balances	(3,157,258)	185,043	(3,342,301)
Fund balances, beginning of year	<u>18,703,751</u>	<u>18,518,708</u>	<u>185,043</u>
Fund balances, end of year	<u>\$ 15,546,493</u>	<u>\$ 18,703,751</u>	<u>\$ (3,157,258)</u>

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

The following schedule shows the significant changes between fiscal year 2021 and 2020 for the Bond Retirement Fund.

	Bond Retirement Fund		
	2021	2020	Change
Revenue			
Taxes	\$ 3,393,117	\$ 3,553,286	\$ (160,169)
Intergovernmental	1,420,786	1,430,372	(9,586)
Total revenues	4,813,903	4,983,658	(169,755)
Expenditures			
Current			
Supporting services			
Fiscal services	56,750	53,588	3,162
Debt service			
Principal	3,490,000	3,555,000	(65,000)
Interest	1,427,455	1,537,043	(109,588)
Total expenditures	4,974,205	5,145,631	(171,426)
Excess (deficiency) of revenues over expenditures	(160,302)	(161,973)	1,671
Other financing sources (uses)			
Refunding bonds issued	10,945,000	-	10,945,000
Premium on debt issue	1,117,434	-	1,117,434
Payment to refunding escrow agent	(11,896,787)	-	(11,896,787)
Total other financing sources (uses)	165,647	-	165,647
Net change in fund balances	5,345	(161,973)	167,318
Fund balances, beginning of year	3,563,563	3,725,536	(161,973)
Fund balances, end of year	\$ 3,568,908	\$ 3,563,563	\$ 5,345

Total revenues in the Bond Retirement Fund decreased due to a decrease in the amount of taxes available for advance from the Lorain County Auditor. The reduction in total expenditures and the increase in other financing sources are due to the effects of a debt refunding during the year.

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 fund to be budgeted is the General Fund.

During the course of fiscal year 2021, the School District amended its General Fund budget to reflect changes in estimated receipts and amended appropriations. For the General Fund, the final budget basis revenue estimate, excluding other financing sources, was \$ 43,994,043 which was \$ 470,075 higher than the original budget estimate and \$ 17,974 less than actual revenue. The final budget basis expenditures estimate, excluding other financing uses, totaled \$ 47,537,819 which was \$ 142,298 lower than the original budget estimate. Actual expenditures were \$ 1,013,782 less than final budget basis expenditures. The unencumbered ending cash balance totaled \$ 13,978,658.

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2021, the School District, net of depreciation, had \$ 43,936,939 invested in land, construction in process, land improvements, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2021 values compared to fiscal year 2020. More detailed information is presented in Note 8 of the notes to the basic financial statements.

Table 4
 Capital Assets
 (Net of Accumulated Depreciation)

	2021	2020
Land	\$ 6,050,145	\$ 6,050,145
Construction in progress	-	366,036
Land improvements	1,127,338	1,162,887
Buildings and improvements	35,210,918	36,072,295
Furniture and equipment	906,990	954,353
Vehicles	641,548	583,723
Total net capital assets	\$ 43,936,939	\$ 45,189,439

All capital assets, except land and construction in process, are reported net of depreciation.

Debt

At June 30, 2021, the Avon Lake School District had \$ 27,482,224 in debt related to bonds payable, a decrease of \$ 3,818,711 from fiscal year 2020. \$ 1,654,934 of the bonds are due within one year. Table 5 below summarizes the School District's bonds. More detailed information is presented in Note 14 of the notes to the basic financial statements.

Table 5
 Outstanding Debt Year-End

	2021	2020
Term and serial bonds	\$ 23,705,000	\$ 27,380,000
Capital appreciation bonds	425,800	425,800
Accretion on capital appreciation bonds	2,083,550	1,532,532
Unamortized bond premiums	1,267,874	1,962,603
Total outstanding debt	\$ 27,482,224	\$ 31,300,935

Avon Lake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021

Current Issues

The Avon Lake Board of Education and administration closely monitor revenues and expenditures in accordance with its financial forecast. This monitoring process was affirmed by Moody's Investors Services in July 2020.

The School District has continued to struggle with many of the same economic issues as other school districts including increasing operating costs, unfunded mandates and decreasing revenue sources. The financial future of the School District is not without its internal, as well as, external challenges. In the foreseeable future, the internal challenge will remain as long as the School District is required to rely on local property taxes to fund its operations.

On January 9, 2018, the School District entered into an 8 year Settlement Agreement with NRG Power Midwest LP the owner of the power plant which resides in the City of Avon Lake. The Agreement settled real estate litigation that had been ongoing and set valuations for tax year 2013 through 2020. In addition to the real estate litigation, the School District also realized losses related to the power plant's Public Utility Personal Property (PUPP) values for tax years 2014, 2015 and 2016. The Ohio Department of Taxation rendered a Final Determination, which reduced NRG's PUPP values for each of these respective years. As a result, the School District owed NRG a refund of \$ 1,649,505, which was repaid through real and PUPP tax credits in fiscal years 2018 and 2019. On July 19, 2021, Charah Solutions, Inc. announced its purchase of the Power Plant. The Plant is expected to cease generation operation in April 2022.

The School District has received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting award and Association of School Business Officials International (ASBO) Certificate of Excellence awards since 1994.

Contacting the School District's Fiscal Management

This financial report was designed to comply with the most current reporting requirements and is intended 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 money it receives. Autumn Reed, Treasurer, can be contacted at the Avon Lake City School District, 175 Avon Belden Rd., Avon Lake, Ohio 44012 or by email at Autumn.Reed@avonlakecityschools.org.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF NET POSITION

JUNE 30, 2021

	Governmental Activities
Assets	
Equity in pooled cash	\$ 20,723,410
Intergovernmental receivables	16,606
Accounts receivable and other	3,965
Inventories and supplies	62,500
Taxes receivable	37,536,025
Net OPEB asset	2,902,197
Capital assets	
Nondepreciable capital assets	6,050,145
Depreciable capital assets	37,886,794
Total assets	105,181,642
Deferred outflow s of resources	
Deferral on refunding	534,375
Pension	9,399,177
OPEB	1,634,803
Total deferred outflow s of resources	11,568,355
Liabilities	
Accounts and contracts payable	68,889
Accrued salaries, wages and benefits	4,048,173
Accrued interest payable	144,700
Intergovernmental payable	705,338
Long-term liabilities	
Due w ithin one year	3,644,232
Due in more than one year	
Net pension liability	52,642,866
Net OPEB liability	4,345,861
Other amounts due in more than one year	30,116,465
Total liabilities	95,716,524
Deferred inflow s of resources	
Property taxes levied for next year	30,476,403
Cafeteria receipts	63,585
Deferral on refunding	696,929
Pension	842,462
OPEB	5,786,421
Total deferred inflow s of resources	37,865,800
Net position	
Net investment in capital assets	18,375,711
Restricted for:	
Net OPEB asset	2,902,197
Debt service	3,567,864
Capital projects	1,907,092
Food service	56,249
Student activities	122,778
Athletics	136,785
Donations	51,681
Unrestricted	(43,952,684)
Total net position	\$ (16,832,327)

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position
		Charges for Services and Sales	Operating Grants, Interest and Contributions	
Governmental activities:				
Instruction				
Regular	\$ 25,584,021	\$ 307,055	\$ 429,319	\$ (24,847,647)
Special	6,610,500	-	863,483	(5,747,017)
Other instruction	749,517	-	-	(749,517)
Supporting services				
Pupil	3,424,373	34,992	260,501	(3,128,880)
Instructional staff	2,088,089	-	2,469	(2,085,620)
Board of education	18,977	-	-	(18,977)
Administration	3,997,597	-	36,588	(3,961,009)
Fiscal services	1,249,255	-	-	(1,249,255)
Business	362,137	-	-	(362,137)
Operation and maintenance	4,434,688	-	214,540	(4,220,148)
Pupil transportation	1,796,924	-	-	(1,796,924)
Central services	450,250	-	-	(450,250)
Operation of non-instructional services				
Food service operation	1,197,400	122,117	846,161	(229,122)
Community services	335,204	-	248,696	(86,508)
Extracurricular activities	1,293,358	412,007	130,868	(750,483)
Interest and fiscal charges	2,694,600	-	-	(2,694,600)
Total	<u>\$ 56,286,890</u>	<u>\$ 876,171</u>	<u>\$ 3,032,625</u>	<u>(52,378,094)</u>

General revenues	
Property taxes levied for:	
General purposes	33,011,285
Debt service	3,378,117
Capital improvements	623,394
Grants and entitlements not restricted to specific purposes	9,096,918
Investment earnings	219,686
Miscellaneous	482,308
Total general revenues	<u>46,811,708</u>
Change in net position	(5,566,386)
Net position at beginning of year, restated	(11,265,941)
Net position at end of year	<u>\$ (16,832,327)</u>

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in pooled cash	\$ 15,136,608	\$ 2,994,232	\$ 2,478,580	\$ 20,609,420
Restricted cash	113,990	-	-	113,990
Receivables, net of allowance				
Taxes, current	32,051,437	3,595,863	660,625	36,307,925
Taxes, delinquent	1,085,700	122,200	20,200	1,228,100
Accounts and other	3,965	-	-	3,965
Intergovernmental receivables	-	-	16,606	16,606
Interfund receivables	82,555	-	-	82,555
Inventories and supplies	50,261	-	12,239	62,500
Total assets	\$ 48,524,516	\$ 6,712,295	\$ 3,188,250	\$ 58,425,061
Liabilities				
Accounts and contracts payable	\$ 58,611	\$ -	\$ 10,278	\$ 68,889
Accrued salaries, wages and benefits	3,964,837	-	83,336	4,048,173
Intergovernmental payable	693,743	-	11,595	705,338
Interfund payable	-	-	82,555	82,555
Matured compensated absences	292,817	-	-	292,817
Total liabilities	5,010,008	-	187,764	5,197,772
Deferred inflows of resources				
Property taxes levied for next year and unavailable resources	27,968,015	3,143,387	656,686	31,768,088
Total deferred inflows of resources	27,968,015	3,143,387	656,686	31,768,088
Fund balances (deficits)				
Nonspendable	50,261	-	12,239	62,500
Restricted	-	3,568,908	2,362,135	5,931,043
Committed	113,990	-	-	113,990
Assigned	1,224,556	-	-	1,224,556
Unassigned	14,157,686	-	(30,574)	14,127,112
Total fund balances (deficits)	15,546,493	3,568,908	2,343,800	21,459,201
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 48,524,516	\$ 6,712,295	\$ 3,188,250	\$ 58,425,061

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

Total governmental fund balances		\$ 21,459,201
Amount reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.		43,936,939
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Property taxes receivable and unavailable revenue		1,228,100
Net OPEB asset is not recognized in the funds.		2,902,197
Unamortized premiums on bonds issued are not recognized in the funds.		(1,267,874)
Unamortized deferred charges on refundings are not recognized in the funds.		(162,554)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(144,700)
The net pension and OPEB liability is not due and payable in the current period; therefore; the liability and related deferred inflow s/outflow s are not reported in the funds.		
Deferred outflow s - pension	\$ 9,399,177	
Deferred inflow s - pension	(842,462)	
Net pension liability	(52,642,866)	
Deferred outflow s - OPEB	1,634,803	
Deferred inflow s - OPEB	(5,786,421)	
Net OPEB liability	(4,345,861)	(52,583,630)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences payable	(5,985,656)	
Bonds payable	(26,214,350)	(32,200,006)
Net position of governmental activities		\$ (16,832,327)

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Revenue				
Taxes	\$ 33,248,085	\$ 3,393,117	\$ 627,594	\$ 37,268,796
Tuition and fees	504,044	-	-	504,044
Interest	219,189	-	497	219,686
Intergovernmental	7,833,493	1,420,786	2,875,264	12,129,543
Extracurricular	19,879	-	177,542	197,421
Charges for services	-	-	122,117	122,117
Donations and contributions	40,272	-	181,405	221,677
Miscellaneous	233,553	-	42,486	276,039
Total revenues	<u>42,098,515</u>	<u>4,813,903</u>	<u>4,026,905</u>	<u>50,939,323</u>
Expenditures				
Current				
Instruction				
Regular	21,408,300	-	474,443	21,882,743
Special	5,407,649	-	863,483	6,271,132
Other instruction	721,240	-	-	721,240
Supporting services				
Pupil	3,082,796	-	230,839	3,313,635
Instructional staff	2,009,021	-	2,469	2,011,490
Board of education	18,977	-	-	18,977
Administration	3,708,444	-	36,588	3,745,032
Fiscal services	1,179,297	56,750	10,583	1,246,630
Business	382,404	-	-	382,404
Operation and maintenance	4,213,273	-	300,109	4,513,382
Pupil transportation	1,652,410	-	175,770	1,828,180
Central services	448,838	-	-	448,838
Operation of non-instructional services				
Food service operation	4,000	-	1,179,235	1,183,235
Community services	48,914	-	275,745	324,659
Extracurricular activities	931,927	-	351,203	1,283,130
Capital outlay	30,000	-	292,534	322,534
Debt service				
Principal	-	3,490,000	-	3,490,000
Interest and fiscal charges	-	1,427,455	-	1,427,455
Total expenditures	<u>45,247,490</u>	<u>4,974,205</u>	<u>4,193,001</u>	<u>54,414,696</u>
Excess (deficiency) of revenues over expenditures	<u>(3,148,975)</u>	<u>(160,302)</u>	<u>(166,096)</u>	<u>(3,475,373)</u>
Other financing sources (uses)				
Transfers in	3,634	-	51,180	54,814
Transfers out	(49,098)	-	(5,716)	(54,814)
Proceeds from sale of assets	37,181	-	-	37,181
Refunding debt issued	-	10,945,000	-	10,945,000
Premium on debt issue	-	1,117,434	-	1,117,434
Payment to refunding escrow agent	-	(11,896,787)	-	(11,896,787)
Total other financing sources (uses)	<u>(8,283)</u>	<u>165,647</u>	<u>45,464</u>	<u>202,828</u>
Net change in fund balances	(3,157,258)	5,345	(120,632)	(3,272,545)
Fund balances, beginning of year, restated	18,703,751	3,563,563	2,464,432	24,731,746
Fund balances, end of year	<u>\$ 15,546,493</u>	<u>\$ 3,568,908</u>	<u>\$ 2,343,800</u>	<u>\$ 21,459,201</u>

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds		\$ (3,272,545)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded net capital outlay in the current period.		
	Capital outlay	\$ 735,714
	Depreciation expense	<u>(1,988,214)</u>
		(1,252,500)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	Property taxes	(256,000)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and other similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences, including accrued interest, in the treatment of long-term debt and related items.		2,057,208
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	Compensated absences	(696,390)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	Pension	3,920,678
	OPEB	<u>134,501</u>
		4,055,179
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	(6,398,161)
	OPEB	<u>196,823</u>
		(6,201,338)
Change in net position of governmental activities		<u>\$ (5,566,386)</u>

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BASIS) AND ACTUAL – GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2021

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ 34,841,358	\$ 35,217,657	\$ 35,232,046	\$ 14,389
Tuition and fees	493,500	498,830	499,034	204
Interest	216,644	218,984	219,073	89
Intergovernmental	7,746,627	7,830,294	7,833,493	3,199
Miscellaneous	225,839	228,278	228,371	93
Total revenues	<u>43,523,968</u>	<u>43,994,043</u>	<u>44,012,017</u>	<u>17,974</u>
Expenditures				
Current				
Instruction				
Regular	22,330,295	22,263,653	21,788,861	474,792
Special	5,857,852	5,840,370	5,715,819	124,551
Adult/continuing	10	10	10	-
Other	760,038	757,770	741,610	16,160
Supporting services				
Pupil	3,211,040	3,201,458	3,133,184	68,274
Instructional staff	2,091,834	2,085,592	2,041,115	44,477
Board of education	19,449	19,390	18,977	413
Administration	3,852,260	3,840,762	3,758,855	81,907
Fiscal services	1,217,759	1,214,123	1,188,232	25,891
Business	388,388	387,230	378,972	8,258
Operation and maintenance	4,668,859	4,654,925	4,555,655	99,270
Pupil transportation	1,760,356	1,755,101	1,717,673	37,428
Central services	484,828	483,382	473,073	10,309
Operation of non-instructional services				
Food service operation	4,099	4,087	4,000	87
Community services	43,573	43,443	42,516	927
Extracurricular activities	958,732	955,869	935,485	20,384
Capital outlay	30,745	30,654	30,000	654
Total expenditures	<u>47,680,117</u>	<u>47,537,819</u>	<u>46,524,037</u>	<u>1,013,782</u>
Excess (deficiency) of revenues over expenditures	<u>(4,156,149)</u>	<u>(3,543,776)</u>	<u>(2,512,020)</u>	<u>1,031,756</u>
Other financing sources				
Proceeds from sale of assets	-	37,181	37,181	-
Advances in	-	101,791	101,791	-
Refund of prior year expenditures	-	397,910	397,910	-
Transfers-out	-	(46,955)	(46,955)	-
Advances out	-	(93,345)	(93,345)	-
Total other financing sources	<u>-</u>	<u>396,582</u>	<u>396,582</u>	<u>-</u>
Net change in fund balance	(4,156,149)	(3,147,194)	(2,115,438)	1,031,756
Prior year encumbrances	1,401,941	1,401,941	1,401,941	-
Fund balances, beginning of year	14,692,155	14,692,155	14,692,155	-
Fund balances, end of year	<u>\$ 11,937,947</u>	<u>\$ 12,946,902</u>	<u>\$ 13,978,658</u>	<u>\$ 1,031,756</u>

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
 LORAIN COUNTY
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITON
 CUSTODIAL FUND
 FOR THE YEAR ENDED JUNE 30, 2021

	Custodial Fund
Additions	
Collections for other organizations	\$ 7,925
Total additions	7,925
Deductions	
Distributions to other organizations	7,925
Total deductions	7,925
Net change in fiduciary net position	-
Net position beginning of year	-
Net position end of year	\$ -

See accompanying notes to the basic financial statements.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Avon Lake City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally elected Board of Education consisting of five members elected at-large for staggered four year terms. The School District provides educational services as mandated by State and Federal agencies.

The School District is located in Avon Lake, Lorain County, Ohio, and includes an area extending roughly twelve square miles around the City. It is staffed by 252 non-certified personnel, 238 certified full-time teaching personnel, and 20 administrative employees to provide services to 3,729 students and other community members. The School District operates 4 elementary schools (K-4), 1 intermediate school (5-6), 1 middle school (7-8), and 1 high school (9-12).

The reporting entity is comprised 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 the School District, this includes general operations, food service, and student related activities.

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

The School District participates in four jointly governed organizations and is associated with a related organization. The organizations are Connect, the Lorain County Joint Vocational School District, the Ohio Schools Council Association, the Suburban Health Consortium, and the Avon Lake Public Library. These organizations are presented in Notes 15 and 16 of the basic financial statements.

B. BASIS OF PRESENTATION

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

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 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 certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental activity is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

During the 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 the 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 fiduciary fund is reported by type.

C. FUND ACCOUNTING

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

Governmental Funds

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

General Fund - The General Fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for 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.

Bond Retirement Fund - The Bond Retirement Fund is used to account for tax levies that are utilized for the repayment of general obligation bonds of the School District.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Fiduciary Fund Type

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The School District has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The School District's custodial fund accounts for collection of fees to be distributed to the Ohio High School Athletic Association (OHSA) for athletic tournaments.

D. MEASUREMENT FOCUS

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources along with 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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Revenues - Exchange and 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 fiscal year-end.

Non-exchange 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 fiscal 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 non-exchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BASIS OF ACCOUNTING (continued)

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB, deferral on debt refunding and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, cafeteria receipts and grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 20. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11).

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized when 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 the governmental funds.

F. BUDGETARY PROCESS

All funds, other than custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount 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 the level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds. Budgetary modifications may only be made by resolution of the Board at the legal level of control. The Treasurer has been authorized to allocate appropriations to the function and object level within each fund.

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETARY PROCESS (continued)

The appropriations resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated resources 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 forward 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.

G. CASH AND CASH EQUIVALENTS

Cash received by the School District is deposited in one central bank account with individual fund balance integrity maintained through School District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. During fiscal year 2021, interest revenue credited to the General Fund amounted to \$ 219,189, none of which was assigned from other funds.

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

During fiscal year 2021, investments were limited to STAR Ohio, commercial paper, U.S. government money market mutual funds, Federal securities and municipal securities.

The School District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the year. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Investments with an original maturity of three months or less at the time of purchase are considered to be cash equivalents.

H. RESTRICTED ASSETS

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets in the General Fund include amounts required by State Statute to be set-aside for the creation of a reserve for budget stabilization. See Note 18 for additional information regarding set-asides.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are reported 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.

J. INVENTORY

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of donated food, purchased food and school supplies held for resale and materials and supplies for consumption.

K. 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. They 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 fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not.

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

<u>Asset</u>	<u>Estimated Useful Life</u>
Land improvements	3 - 25 years
Buildings and improvements	5 - 90 years
Furniture and equipment	3 - 40 years
Vehicles	7 - 13 years

L. INTERFUND BALANCES

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. COMPENSATED ABSENCES

Compensated absences are absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

Sick leave benefits are accrued as a liability using the vesting method.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the General Fund.

N. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, 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.

O. 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 borrowing used for the acquisition, construction or improvement of those assets. Net positions are 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.

The government-wide statement of net position reports \$ 8,744,646 of restricted net position, none of which is restricted by enabling legislation.

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. 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. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the 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.

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 of the School District Board of Education, which policies includes giving the Treasurer the authority to constrain monies for intended purposes. The Board has, by resolution, authorized the Treasurer to assign fund balances for encumbrances outstanding at year-end.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is 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.

Q. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. PENSIONS/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.

S. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2021.

T. ESTIMATES

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION AND FUND BALANCE

A. CHANGE IN ACCOUNTING PRINCIPLES

For 2021, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, "Fiduciary Activities". GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the School District will no longer be reporting agency funds. The School District reviewed its agency funds and one fund will be reported in the new fiduciary fund classification of custodial funds while the other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the City's financial statements.

For 2021, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 83, Certain Asset Retirement Obligations, GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, and GASB Statement No. 90, Majority Equity Interests – an amendment of GASB Statements No. 14 and No.61.

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. These changes were incorporated in the School District's 2021 financial statements; however, there was no effect on beginning net position.

GASB Statement No. 88 improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the School District's 2021 financial statements; however, there was no effect on beginning net position.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION AND FUND BALANCE (continued)

A. CHANGE IN ACCOUNTING PRINCIPLES (continued)

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the School District's 2021 financial statements; however, there was no effect on beginning net position.

GASB Statement No. 90 improves the consistency in the measurement and comparability of the financial presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. These changes were incorporated in the School District's 2021 financial statements; however, there was no effect on beginning net position.

B. RESTATEMENT OF NET POSITION

Net position of governmental activities at June 30, 2020 has been restated for the implementation of GASB Statement 84. The effect of the restatement is as follows:

	Governmental Activities
Net position at June 30, 2020	\$ (11,397,347)
Adjustment:	
GASB 84	131,406
Restated net position at June 30, 2020	\$ (11,265,941)

C. RESTATEMENT OF FUND BALANCE AND FUND NET POSITION

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

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Fund balance at June 30, 2020	\$ 18,701,608	\$ 3,563,563	\$ 2,335,169	\$ 24,600,340
Adjustment:				
GASB 84	2,143	-	129,263	131,406
Restated fund balance at June 30, 2020	\$ 18,703,751	\$ 3,563,563	\$ 2,464,432	\$ 24,731,746

	Fiduciary Funds	
	Agency	Custodial
Net position, at June 30, 2020	\$ -	\$ -
Adjustment:		
Assets	135,673	4,267
Liabilities	(135,673)	(4,267)
Restated net position at June 30, 2020	\$ -	\$ -

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed or assigned fund balance (GAAP basis).
4. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

Net Change in Fund Balance	
	General Fund
Budget basis	\$ (2,115,438)
Adjustments, increase (decrease)	
Revenue accruals	(2,482,781)
Expenditure accruals	2,397,055
Funds budgeted elsewhere **	3,741
Encumbrances	(959,835)
GAAP basis, as reported	\$ (3,157,258)

** 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 on a GAAP basis.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 4 – FUND BALANCES

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

Fund balances	General Fund	Bond Retirement Fund	Nonmajor Governmental Funds	Total
Nonspendable				
Inventory	\$ 50,261	\$ -	\$ 12,239	\$ 62,500
Restricted for:				
Debt service	-	3,568,908	21,456	3,590,364
Capital projects	-	-	1,886,892	1,886,892
Food service	-	-	126,477	126,477
Student activities	-	-	122,778	122,778
Athletics	-	-	136,785	136,785
State grants	-	-	16,066	16,066
Federal grants	-	-	228	228
Donations	-	-	51,453	51,453
Total restricted	-	3,568,908	2,362,135	5,931,043
Committed				
Budget reserve	113,990	-	-	113,990
Assigned to				
Scholarships	103,884	-	-	103,884
Field trips and assemblies	207,512	-	-	207,512
Student instruction	348,772	-	-	348,772
Student and staff support	562,272	-	-	562,272
Other	2,116	-	-	2,116
Total assigned	1,224,556	-	-	1,224,556
Unassigned	14,157,686	-	(30,574)	14,127,112
Total fund balances	\$ 15,546,493	\$ 3,568,908	\$ 2,343,800	\$ 21,459,201

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, 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 market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Commercial paper and bankers' acceptances (if authorized by the Board of Education), and;
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

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, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At fiscal year end, the School District had \$ 18,300 in cash on hand which is included on the balance sheet of the School District as part of "Equity in Pooled Cash".

B. DEPOSITS

At June 30, 2021, the carrying amount of all School District deposits was \$ 5,765,881 and the bank balance of all School District deposits was \$ 6,205,254. Of the bank balance, \$ 4,977,463 was covered by the FDIC and \$ 1,227,791 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the School District's financial institutions were approved for a reduced collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

C. INVESTMENTS

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 School 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. As of June 30, 2021, the School District had the following investments:

	Fair Value	Percentage of Investments	Investment Maturities		
			Less than 1 year	1 - 2 years	3 years and longer
STAR Ohio	\$ 297,451	1.99%	\$ 297,451	\$ -	\$ -
Federal securities	4,311,680	28.86%	1,338,764	1,949,700	1,023,216
Money market	5,911,820	39.57%	5,911,820	-	-
Municipal securities	477,912	3.20%	477,912	-	-
Commercial paper	3,940,366	26.38%	3,940,366	-	-
	<u>\$ 14,939,229</u>	<u>100.00%</u>	<u>\$ 11,966,313</u>	<u>\$ 1,949,700</u>	<u>\$ 1,023,216</u>

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2021. As discussed further in Note 1G, STAR Ohio is reported at its share price. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

D. INTEREST RATE RISK

The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

E. CREDIT RISK

The School District follows the Ohio Revised Code that limits its investment choices, as disclosed in Note 5 A. As of June 30, 2021, the School District's investment in Star Ohio and the U.S. government money market mutual fund were rated AAAM by Standard & Poor's. The investments in commercial paper were rated A1 and A1+ by Standard & Poor's and P1 by Moody's. The municipal securities investment was rated SP-1+ by Standard & Poor's.

F. CONCENTRATION OF CREDIT RISK

The School District places no limit on the amount that may be invested in any one issuer.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

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, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2021 represents collections of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed value listed as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State Statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Public utility real and tangible personal property taxes received in calendar year 2020 become a lien December 31, 2019, were levied after April 1, 2020 and are collected in 2021 with real property taxes. Public utility real property is assessed at thirty-five 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 Lorain 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, 2021, are available to finance fiscal year 2021 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only delinquent settlement of tangible personal property taxes and 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 inflow of resources.

The amount available as an advance at June 30, 2021 was \$ 5,169,122 in the General Fund, \$ 574,676 in the Bond Retirement Debt Service Fund and \$ 87,724 in the Permanent Improvements Capital Projects Fund. The amount available as an advance at June 30, 2020 was \$ 7,153,083 in the General Fund, \$ 769,254 in the Bond Retirement Debt Service Fund and \$ 124,301 in the Permanent Improvements Capital Projects Fund.

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

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

	<u>2020 Second Half Collections</u>		<u>2021 First Half Collections</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Agricultural/ Residential and Other Real Estate	\$ 949,848,060	93.62 %	\$ 963,685,100	92.78 %
Public Utility Personal	64,726,250	6.38	74,951,190	7.22
	<u>\$1,014,574,310</u>	<u>100.00 %</u>	<u>\$1,038,636,290</u>	<u>100.00 %</u>
Tax Rate per \$ 1,000 of Assessed Valuation:	<u>\$ 69.24</u>		<u>\$ 69.07</u>	

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 7 – RECEIVABLES

Receivables at June 30, 2021, consisted of property taxes, accounts receivable, interfund receivables and due from other governments. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year.

NOTE 8 - CAPITAL ASSETS

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

<u>Governmental Activities</u>	Balance June 30, 2020	Additions	Disposals	Balance June 30, 2021
Nondepreciable capital assets				
Land	\$ 6,050,145	-	-	\$ 6,050,145
Construction in process	366,036	227,607	593,643	-
Total nondepreciable capital assets	<u>6,416,181</u>	<u>227,607</u>	<u>593,643</u>	<u>6,050,145</u>
Depreciable capital assets				
Land improvements	3,173,926	15,000	-	3,188,926
Buildings and improvements	79,594,588	796,345	-	80,390,933
Furniture and equipment	11,799,074	114,635	6,195	11,907,514
Vehicles	2,701,288	175,770	-	2,877,058
Total capital assets being depreciated	<u>97,268,876</u>	<u>1,101,750</u>	<u>6,195</u>	<u>98,364,431</u>
Less accumulated depreciation				
Land improvements	2,011,039	50,549	-	2,061,588
Buildings and improvements	43,522,293	1,657,722	-	45,180,015
Furniture and equipment	10,844,721	161,998	6,195	11,000,524
Vehicles	2,117,565	117,945	-	2,235,510
Total accumulated depreciation	<u>58,495,618</u>	<u>1,988,214</u>	<u>6,195</u>	<u>60,477,637</u>
Depreciable capital assets, net of accumulated depreciation	<u>38,773,258</u>	<u>(886,464)</u>	<u>-</u>	<u>37,886,794</u>
Governmental activities capital assets, net	<u>\$ 45,189,439</u>	<u>\$ (658,857)</u>	<u>\$ 593,643</u>	<u>\$ 43,936,939</u>

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 8 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental activities as follows:

Instruction	
Regular	\$ 1,791,098
Supporting services	
Administration	1,502
Operation and maintenance of plant	33,010
Pupil transportation	125,430
Operation of non-instructional services	
Food service	4,387
Extracurricular activities	
Sports oriented	32,787
Total depreciation expense	\$ 1,988,214

NOTE 9 - 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 2021, the School District contracted with Liberty Mutual Insurance for property insurance. Professional liability is protected by the Liberty Mutual Insurance with a \$ 1,000,000 aggregate limit. General Liability has a \$ 2,000,000 aggregate limit. The Umbrella limit is \$ 3,000,000. Vehicles are covered by the Liberty Mutual Insurance and hold a \$ 1,000 deductible for comprehensive and \$ 1,000 deductible for collision. Automobile liability has a \$ 1,000,000 combined single limit of liability.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in coverage from last year.

The School District maintains a \$ 100,000 position bond for the treasurer and business manager. The business manager position bond expired on February 28, 2021. Effective March 1, 2021, an employee dishonesty policy was put in place for the new position, Director of Operations. There is a \$ 20,000 employee dishonesty policy for the Board of Education president, and a \$ 100,000 employee dishonesty policy for the superintendent and for the Director of Operations. The School District maintains a \$ 500,000 employee dishonesty policy for all other employees with a \$ 500 deductible with Liberty Mutual Insurance.

The School District pays the Ohio Bureau of Workers' Compensation a premium based on a rate per \$ 100 of salaries. This rate is calculated based on accident history, administrative costs and payroll.

B. EMPLOYEE MEDICAL COVERAGE

The School District is a member of the Suburban Health Consortium (SHC), a shared risk pool to provide employee medical, prescription drug and dental benefits. Rates are set through an annual calculation process prepared by the Consortium's health insurance consultant and recommended to the SHC Board of Directors. The SHC Board of Directors votes on the rate renewal annually. The School District pays a monthly contribution and a pro-rata share of their "buy-in" contribution to existing plan reserves which is placed in a common fund from which the claim payments are made for all participating districts. For 2021, the School District paid 85% of the cost of the monthly premium for all eligible employees who elected coverage.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - DEFINED BENEFIT PENSION PLANS

A. NET PENSION LIABILITY

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

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

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

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

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

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) (continued)

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2021, the Retirement Board did not allocate any employer contribution to the Health Care Fund. The School District's contractually required contribution to SERS was \$ 984,543 for fiscal year 2021, of which \$ 66,605 is reported as an intergovernmental payable.

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS)

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS) (continued)

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five year of service credit and age 65, or 35 years of service credit and at least age 60.

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

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS) (continued)

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2021, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates. The School District's contractually required contribution to STRS was \$ 2,936,135 for fiscal year 2021. Of this amount \$ 450,658 is reported as an intergovernmental payable.

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 12,686,718	\$ 39,956,148	\$ 52,642,866
Pension expense	\$ 1,198,969	\$ 5,199,192	\$ 6,398,161
Proportion of the net pension liability - prior measurement date	0.19681150%	0.16512790%	
Proportion of the net pension liability - current measurement date	<u>0.19181000%</u>	<u>0.16513233%</u>	
	<u>-0.00500150%</u>	<u>0.00000443%</u>	

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES
AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ 24,643	\$ 89,652	\$ 114,295
Net difference between projected and actual earnings on pension plan investments	805,349	1,943,072	2,748,421
Change in assumptions	-	2,144,873	2,144,873
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	-	470,910	470,910
School District contributions subsequent to the measurement date	984,543	2,936,135	3,920,678
Total deferred outflows of resources	\$ 1,814,535	\$ 7,584,642	\$ 9,399,177
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 255,492	\$ 255,492
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	282,046	304,924	586,970
Total deferred inflows of resources	\$ 282,046	\$ 560,416	\$ 842,462

AVON LAKE CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

\$ 3,920,678 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 year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2021	\$ (209,445)	\$ 1,572,833	\$ 1,363,388
2022	169,561	648,955	818,516
2023	335,687	1,003,837	1,339,524
2024	252,143	862,466	1,114,609
	\$ 547,946	\$ 4,088,091	\$ 4,636,037

E. ACTUARIAL ASSUMPTIONS - SERS

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

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

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

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

Valuation date	June 30, 2020
Actuarial cost method	Entry age normal (Level Percent of Payroll)
Actuarial assumptions experience study date	5 year period ended June 30, 2015
Investment rate of return	7.50 percent of net of investments expense, including inflation
COLA or Ad Hoc COLA	2.50 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
Inflation	3.00 percent

AVON LAKE CITY SCHOOL DISTRICT
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NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disable members were based upon the 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.

The most recent experience study was completed June 30, 2015.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	2.00%	1.85%
U.S. stocks	22.50%	5.75%
Non-U.S. stocks	22.50%	6.50%
Fixed income	19.00%	2.85%
Private equity	12.00%	7.60%
Real assets	17.00%	6.60%
Multi-asset strategy	5.00%	6.65%
	<u>100.00%</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$ 17,379,254	\$ 12,686,718	\$ 8,749,590

F. ACTUARIAL ASSUMPTIONS - STRS

The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent	
Salary increases	12.50 percent at age 20 to 2.50 percent at age 65	
Payroll increases	3.00 percent	
Investment rate of return	7.45 percent, net of investment expenses, including inflation	
Discount rate of return	7.45 percent	
Cost of living (COLA)	0 percent	

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

Actuarial assumptions used in the July 1 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return *
Domestic equity	28.00%	7.35%
International equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed income	21.00%	3.00%
Real estate	10.00%	6.00%
Liquidity reserves	1.00%	2.25%
	100.00%	

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

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

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

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$ 56,890,599	\$ 39,956,148	\$ 25,605,612

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 – DEFINED BENEFIT OPEB PLANS

A. NET OPEB LIABILITY/(ASSET)

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

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability/(asset). Resulting adjustments to the net OPEB liability/(asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) (continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, 0 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$ 23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the School District's surcharge obligation was \$ 134,501.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$ 134,501 for fiscal year 2021. Of this amount \$ 134,501 is reported as an intergovernmental payable.

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2020, STRS Ohio did not allocate any employer contributions to post-employment health care.

The net OPEB liability/(asset) was measured as of June 30, 2020, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of that date. The 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:

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
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NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

D. OPEB LIABILITIES/(ASSETS), OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net OPEB liability/(asset)	\$ 4,345,861	\$ (2,902,197)	\$ 1,443,664
OPEB expense	\$ (73,863)	\$ (122,960)	\$ (196,823)
Proportion of the net OPEB liability/(asset) - prior measurement date	0.20206270%	0.16512790%	
Proportion of the net OPEB liability/(asset) - current measurement date	0.19996350%	0.16513233%	
	<u>-0.00209920%</u>	<u>0.00000443%</u>	

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 57,078	\$ 185,960	\$ 243,038
Change in assumptions	740,818	47,907	788,725
Net difference between projected and actual earnings on OPEB plan investments	48,968	101,712	150,680
Changes in proportionate share and differences between School District contributions and proportionate share of contributions	144,849	173,010	317,859
School District contributions subsequent to the measurement date	134,501	-	134,501
Total deferred outflows of resources	<u>\$ 1,126,214</u>	<u>\$ 508,589</u>	<u>\$ 1,634,803</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 2,210,174	\$ 578,077	\$ 2,788,251
Change in assumptions	109,462	2,756,604	2,866,066
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	123,241	8,863	132,104
Total deferred inflows of resources	<u>\$ 2,442,877</u>	<u>\$ 3,343,544</u>	<u>\$ 5,786,421</u>

AVON LAKE CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

D. OPEB LIABILITIES/(ASSETS), AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (continued)

\$ 134,501 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 year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2022	\$ (280,629)	\$ (699,838)	\$ (980,467)
2023	(277,086)	(630,992)	(908,078)
2024	(277,663)	(606,841)	(884,504)
2025	(298,014)	(622,894)	(920,908)
2026	(236,991)	(134,153)	(371,144)
Thereafter	(80,781)	(140,237)	(221,018)
	<u>\$ (1,451,164)</u>	<u>\$ (2,834,955)</u>	<u>\$ (4,286,119)</u>

E. ACTUARIAL ASSUMPTIONS – SERS

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

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

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.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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

Actuarial assumptions experience study date	5 year period ended June 30, 2015
Investment rate of return	7.50 percent of net of investment expense, including inflation
Inflation	3.00 percent
Wage increases	3.50 to 18.20 percent
Municipal bond index rate:	
Prior measurement date	3.13 percent
Measurement date	2.45 percent
Single equivalent interest rate, net of plan investment expense, including price inflation	
Prior measurement date	3.22 percent
Measurement date	2.63 percent
Medical trend assumptions	
Pre-medicare	7.00 to 4.75 percent
Medicare	5.25 to 4.75 percent

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

AVON LAKE CITY SCHOOL DISTRICT
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NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	2.00%	1.85%
U.S. stocks	22.50%	5.75%
Non-U.S. stocks	22.50%	6.50%
Fixed income	19.00%	2.85%
Private equity	12.00%	7.60%
Real assets	17.00%	6.60%
Multi-asset strategy	5.00%	6.65%
	100.00%	

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

AVON LAKE CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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

	1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
School District's proportionate share of the net OPEB liability	\$ 5,319,226	\$ 4,345,861	\$ 3,572,038
	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 3,422,035	\$ 4,345,861	\$ 5,581,253

F. ACTUARIAL ASSUMPTIONS – STRS

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

Salary increases	12.50 percent at age 20 to 2.50 percent at age 65	
Payroll increases	3.00 percent	
Investment rate of return	7.45 percent, net of investment expenses, including inflation	
Discount rate of return	7.45 percent	
Health care cost trends	Initial	Ultimate
Medical		
Pre-medicare	5.00 percent	4.00 percent
Medicare	-6.69 percent	4.00 percent
Prescription drug		
Pre-medicare	6.50 percent	4.00 percent
Medicare	11.87 percent	4.00 percent

AVON LAKE CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS

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

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

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	28.00%	7.35%
International equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed income	21.00%	3.00%
Real estate	10.00%	6.00%
Liquidity reserves	1.00%	2.25%
	100.00%	

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

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

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

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 11 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net OPEB asset	\$ (2,525,101)	\$ (2,902,197)	\$ (3,222,151)
	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	\$ (3,202,291)	\$ (2,902,197)	\$ (2,536,641)

Assumption Changes Since the Prior Measurement Date – There were no changes in assumptions since the prior measurement date of June 30, 2019.

Benefit Term Changes Since the Prior Measurement Date – There was no change in the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

NOTE 12 - OTHER EMPLOYEE BENEFITS

A. COMPENSATED ABSENCES

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

Teachers, administrators, and classified employees earn sick leave at the rate of 1.25 days per month. Sick leave accumulation is unlimited. Upon retirement or death, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 40 days for classified employees and 100 days for certified employees.

B. LIFE INSURANCE

The School District provides life insurance and accidental death and dismemberment insurance to its employees. Coverage is equal to employees' annual salary amount rounded to the nearest one thousand dollars. Life insurance is covered through the Prudential Life Insurance.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 13 – INTERFUND BALANCES AND TRANSFERS

A. INTERFUND BALANCES

On the fund financial statements at June 30, 2021, interfund balances consisted of the following:

	Due from Non-major Governmental Funds
Due to General Fund	\$ 82,555

General fund loans made to non-major governmental funds were made to support programs and projects in the Special Revenue Funds and are scheduled to be repaid in the subsequent year.

B. TRANSFERS

Transfers for the year ended June 30, 2021 consisted of the following:

Transfers to:	Transfers from :		
	General Fund	Non-major Governmental Funds	Total
General Fund	\$ -	\$ 3,634	\$ 3,634
Non-major governmental funds	49,098	2,082	51,180
	\$ 49,098	\$ 5,716	\$ 54,814

Transfers from the General Fund were to the Local Grants Fund, Student Activities Fund and the Athletic Fund. The transfer to the General Fund was made to close out programs in non-major governmental funds.

NOTE 14 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issuance and date of maturity for each of the School District's long-term obligations follows:

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
General obligation bonds				
School facilities term and serial	2010	1.0 - 6.05%	\$ 18,470,000	12/1/2031
School facilities capital appreciation	2010	20.00%	\$ 25,866	12/1/2027
Refunding				
Serial and term	2015	.35 - 4.00%	\$ 31,195,000	12/1/2031
Capital appreciation	2015	27.0%	\$ 399,934	12/1/2021
Refunding				
Serial	2021	1.0 - 4.00%	\$ 10,945,000	12/1/2026

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 - LONG-TERM OBLIGATIONS (continued)

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

	Outstanding 6/30/2020	Additions	Reductions	Outstanding 6/30/2021	Due in 1 year
General obligation bonds					
Refunding bonds - 2005					
Serial bonds	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
Various purpose construction bonds - 2010					
Term and serial bonds	7,470,000	-	1,005,000	6,465,000	1,025,000
Capital appreciation bonds	25,866	-	-	25,866	-
Accretion on capital appreciation bonds	145,713	36,031	-	181,744	-
Refunding bonds - 2015					
Term and serial bonds	18,910,000	-	12,615,000	6,295,000	-
Capital appreciation bonds	399,934	-	-	399,934	399,934
Accretion on capital appreciation bonds	1,386,819	514,987	-	1,901,806	-
Refunding bonds - 2021					
Serial bonds	-	10,945,000	-	10,945,000	230,000
Unamortized bond premiums	1,962,603	1,117,434	1,812,163	1,267,874	-
Total general obligation bonds	<u>31,300,935</u>	<u>12,613,452</u>	<u>16,432,163</u>	<u>27,482,224</u>	<u>1,654,934</u>
Net pension liability					
STRS	36,517,043	3,439,105	-	39,956,148	-
SERS	11,775,577	911,141	-	12,686,718	-
Total net pension liability	<u>48,292,620</u>	<u>4,350,246</u>	<u>-</u>	<u>52,642,866</u>	<u>-</u>
Net OPEB liability					
SERS	5,081,452	-	735,591	4,345,861	-
Total net OPEB liability	<u>5,081,452</u>	<u>-</u>	<u>735,591</u>	<u>4,345,861</u>	<u>-</u>
Compensated absences	5,420,179	2,473,401	1,615,107	6,278,473	1,989,298
Total governmental activities	<u>\$ 90,095,186</u>	<u>\$ 19,437,099</u>	<u>\$ 18,782,861</u>	<u>\$ 90,749,424</u>	<u>\$ 3,644,232</u>

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 - LONG-TERM OBLIGATIONS (continued)

There is no repayment schedule for the net pension liability and net OPEB liability, however, employer pension and OPEB contributions are made from the General Fund. For additional information related to the net pension liability and net OPEB liability see Note 10 and 11.

General obligation bonds will be paid from property taxes received in the Bond Retirement Fund.

Compensated absences will be paid from the General Fund, and the Food Service and Title VI-B Special Revenue Funds, which are the funds from which the employees' salaries are paid.

Refunding Bonds, Series 2005

On June 23, 2005, the School District issued \$ 32,999,950 in voted general obligation bonds for the purpose to advance refund a portion of bonds issued in 1999. The bond issue included serial and capital appreciation bonds in the amount of \$ 32,415,000 and \$ 584,950 respectively. The bonds were issued at a premium of \$ 3,536,571. The bonds will be retired with a voted property tax levy from the Debt Service Fund. The capital appreciation bonds matured in fiscal years 2012 and 2013. A portion of these bonds were advance refunded in 2015.

Various Purpose Construction Bonds, 2010 Series

On July 29, 2010, the School District issued \$ 18,495,866 in voted general obligation bonds for the following purposes: (i) constructing, improving, furnishing, and equipping school facilities, with related site improvements and appurtenances thereto; and (ii) constructing, improving, furnishing, and equipping a high school athletics stadium, with related site improvements and appurtenances thereto; constructing, furnishing, and equipping a transportation facility, with related site improvements and appurtenances thereto; and acquiring interests in land necessary in connection therewith (collectively, the Project), and (iii) retiring outstanding bond anticipation notes of the School District previously issued for the purpose of funding the Project. The bond issue included: Series 2010A bonds consisting of \$ 665,000 current interest serial bonds and \$ 25,866 capital appreciation bonds, Series 2010B bonds consisting of \$ 3,780,000 current interest term bond, and Series 2010C bonds consisting of \$ 14,025,000 current interest serial bonds. The bonds were issued at a premium of \$ 287,087. The Series 2010A and 2010C bonds will be retired with a voted property tax levy from the Debt Service Fund. In 2015 the Series 2010B bonds were extinguished in a current refunding with the proceeds of Series 2014A serial and term bonds.

Refunding Bonds, Series 2015

On August 5, 2014, the School District issued \$ 31,594,934 in voted general obligation bonds consisting of \$ 3,760,000 Series 2014A and \$ 27,834,934 Series 2014B bonds. The Series 2014A bonds are unlimited tax general obligation bonds issued for the purpose of currently refunding the Refunded Series 2010B Bonds. The Series 2014B bonds are unlimited tax general obligation bonds issued for the purpose of advance refunding a portion of Refunded Series 2005 Bonds. Series 2014A include \$ 2,760,000 serial bonds, maturing in 2031 and \$ 1,000,000 term bonds, maturing in 2028. Series 2014B consist of \$ 27,435,000 serial bonds, maturing in 2026 and \$ 399,934 capital appreciation bond, maturing in 2021. The bonds were issued at a premium of \$ 1,732,429. The Series bonds will be retired with a voted property tax levy from the Debt Service Fund.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 14 - LONG-TERM OBLIGATIONS (continued)

Refunding Bonds, Series 2021

On May 27, 2021, the School District issued \$ 10,945,000 in voted general obligation bonds consisting of \$ 890,000 Series 2021A and \$ 10,055,000 Series 2021B bonds. The Series 2021A were issued for the purpose of currently refunding the Refunded Series 2005 Bonds. The Series 2021B bonds were issued for the purpose of advance refunding a portion of Refunded Series 2014B Bonds. Series 2021A and series 2021B bonds mature in 2027. The bonds were issued at a premium of \$ 1117,434. The bonds will be retired with a voted property tax levy from the Debt Service Fund.

At June 30, 2021, \$ 41,910,000 of bonds outstanding are considered to be defeased.

The School District's overall legal debt margin was \$ 72,362,154 and the unvoted legal debt margin was \$ 1,038,636 at June 30, 2021.

Principal and interest requirements to retire long-term obligations outstanding at June 30, 2021, are as follows:

June 30,	General Obligation Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 1,255,000	\$ 1,267,642	\$ 399,934	\$ 461,442	\$ 1,654,934	\$ 1,729,084
2023	3,685,000	1,679,816	-	-	3,685,000	1,679,816
2024	3,650,000	1,220,474	-	-	3,650,000	1,220,474
2025	3,745,000	1,168,474	-	-	3,745,000	1,168,474
2026	3,800,000	1,101,399	-	-	3,800,000	1,101,399
2027-2031	6,625,000	977,651	25,866	679,133	6,650,866	1,656,784
2032	945,000	37,800	-	-	945,000	37,800
	<u>\$ 23,705,000</u>	<u>\$ 7,453,256</u>	<u>\$ 425,800</u>	<u>\$ 1,140,575</u>	<u>\$ 24,130,800</u>	<u>\$ 8,593,831</u>

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 15- JOINTLY GOVERNED ORGANIZATIONS

A. CONNECT

The North Coast Council became known as Connect effective April 1, 2016. The new governing Board of Directors, the Educational Service Centers of Cuyahoga, Lorain and Medina County and the Ohio Schools Council, have accepted the ownership, responsibility and liability of Connect in order to provide exemplary service to member districts. The Superintendent/Executive Director of the three ESCs and Ohio Schools Council shall serve on Connect's Board of Directors. The purpose of Connect is applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions for member districts. Fiscal information for Connect is available from the Treasurer of the Educational Service Center of Northeast Ohio (fiscal agent), located at 6393 Oak Tree Boulevard, Independence, Ohio 44131. During the year the School District paid \$ 86,200 to Connect for basic service charges.

B. LORAIN COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

The Lorain County Joint Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from the eight participating school district's elected board, which possesses its own budgeting and taxing authority. Financial information can be obtained by contacting the Treasurer at the Lorain County Joint Vocational School District at State Rt. 58, Oberlin, Ohio, 44074.

C. OHIO SCHOOLS COUNCIL ASSOCIATION

The Ohio Schools Council (Council) is a jointly governed organization among 254 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. Financial information can be obtained by contacting the Executive Director at the Ohio Schools Council at 6393 Oak Tree Blvd., Suite 377, Independence, Ohio 44131. During the year the School District paid \$ 129,170 to the Council.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy has been selected as 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 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.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 15- JOINTLY GOVERNED ORGANIZATIONS (continued)

D. SUBURBAN HEALTH CONSORTIUM

The Suburban Health Consortium (the "Consortium") is a shared health risk pool created on October 1, 2001, formed by the Boards of Education of several school districts in northeast Ohio, for the purposes of maximizing benefits and/or reducing costs of group health, life, dental and/or other insurance coverages for their employees and the eligible dependents and designated beneficiaries of such employees. The Consortium was formed and operates as a legally separate entity under Ohio Revised Code Section 9.833. The Board of Directors shall be the governing body of the Consortium.

The Board of Education of each Consortium Member shall appoint its Superintendent or such Superintendent's designee to be its representative of the Board of Directors. The officers of the Board of Directors shall consist of a Chairman, Vice-Chairman and Recording Secretary, who shall be elected at the annual meeting of Board of Directors and serve until the next annual meeting. All of the authority of the Consortium shall be exercised by or under the direction of the Board of Directors. The Board of Directors shall also set all premiums and other amounts to be paid by the Consortium Members, and the Board of Directors shall also have the authority to waive premiums and other payments. All members of the Board of Directors shall serve without compensation.

The Fiscal Agent shall be the Board of Education responsible for administering the financial transactions of the Consortium (Orange City School District). The Fiscal Agent shall carry out the responsibilities of the Consortium Fund, enter into contracts on behalf of the Consortium as authorized by the Directors and carry out such other responsibilities as approved by the Directors and agreed to by the Fiscal Agent. Each District Member enrolled in a benefit program may require contributions from its employees toward the cost of any benefit program being offered by such District Member, and such contributions shall be included in the payments from such District Member to the Fiscal Agent for such benefit program. Contributions are to be submitted by each District Member, to the Fiscal Agent, required under the terms of the Consortium Agreement and any benefit program in which such District Member is enrolled to the Fiscal Agent on a monthly basis, or as otherwise required in accordance with any benefit program in which such District Member is enrolled. All general administrative costs incurred by the Consortium that are not covered by the premium payments shall be shared equally by the Consortium Members as approved by the Directors, and shall be paid by each Consortium Member upon receipt of notice from the Fiscal Agent that such payment is due. It is the express intention of the Consortium Members that the Consortium Agreement and the Consortium shall continue for an indefinite term, but may be terminated as provided in the Consortium Agreement. Any Consortium Member wishing to withdraw from participation in the Consortium or any benefit program shall notify the Fiscal Agent at least one hundred eighty (180) days prior to the effective date of withdrawal.

Upon withdrawal of a Consortium Member, the Consortium shall pay the run out of all claims for such Consortium Member provided such Consortium Member has paid to the Consortium, prior to the effective date of withdrawal a withdrawal fee in the amount equal to two months' premiums at the Consortium Member's current rate. Payment of the withdrawal fee does not extend insurance coverage for two months. Upon automatic withdrawal, for non-payment of premiums required by the Consortium Agreement, the Consortium shall pay the run out of all claims for such Consortium Member provided that the Consortium has received from such Consortium Member all outstanding and unpaid premiums and other amounts and the withdrawal fee equal to two months' premiums at the Consortium Member's current rates. Any Consortium Member which withdraws from the Consortium pursuant to the Consortium Agreement shall have no claim to the Consortium's assets. Financial information for the Consortium can be obtained from the Treasurer of the Orange City School District (the "Fiscal Agent") at 32000 Chagrin Blvd, Pepper Pike, Ohio 44124. During the year ended June 30, 2021, the School District paid \$ 6,606,327 to the Consortium.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 16 - RELATED ORGANIZATION

The Avon Lake 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 Avon Lake City School District Board of Education. The Board 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 issues 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 by contacting the Clerk/Treasurer at the Avon Lake Public Library at 32649 Electric Blvd., Avon Lake, Ohio, 44012.

NOTE 17 – CONTINGENCIES

The School District received financial assistance from federal and State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2021.

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. Management believes any impact of these adjustments has either been reflected in the School District's financial statements or determined to not be material.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 18 - SET-ASIDES

The School District is required by State statute to annually set aside in the General Fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by fiscal year end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end. These amounts must be carried forward to be used for the same purposes in future fiscal years. In prior fiscal years, the School District was also required to set aside money for budget stabilization. At June 30, 2021, only the unspent portion of certain worker's compensation refunds continues to be set aside for budget stabilization.

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

	Budget Stabilization Reserve	Capital Improvements Reserve
Set-aside reserve balance, June 30, 2020	\$ 113,990	\$ -
Current year set-aside requirements	-	665,740
Offsetting credits	-	(728,487)
Qualifying disbursements	-	(1,105,722)
Total	\$ 113,990	\$ (1,168,469)
Set-aside reserve balance as of June 30, 2021	\$ 113,990	\$ -

Although the School District had offsets and/or qualifying disbursements during the year that reduced the capital improvements reserve set-aside amount below zero, this amount cannot be carried forward to reduce the set-aside requirements for future years.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 19 – TAX ABATEMENT

In 1994, pursuant to Ohio Revised Code Sections 3735.60 to 3735.70 on Community Reinvestment Area (CRA), the City of Avon Lake (City) established “Community Reinvestment Area No. 2” (Reinvestment Area) with Resolution 132-94. In 2014, the city renewed the original legislation with Resolution 82-2014. The boundaries of the Reinvestment Area were the boundaries of the entire incorporated area of the City of Avon Lake. With that legislation, the City authorized tax abatements which equals an agreed upon percentage of the additional property tax resulting from the increase in an increased assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient’s property tax bill.

The establishment of the Reinvestment Area gave the City the ability to maintain and expand businesses located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate. For fiscal year 2021, the Avon Lake City School District has foregone approximately \$ 250,000 in tax revenue as a result of the abatements the City entered into.

NOTE 20 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the School District. The School District’s investment portfolio and the investments of the pension and other employee benefit plan in which the School District participates have incurred a significant decline in fair value, consistent with the general decline in financial markets, However, because the values of the individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the School District’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 22 – COMPLIANCE AND ACCOUNTABILITY

Not apparent in the basic financial statement is a deficit fund balance of \$ 30,574 in the ESSER Grant Fund. This deficit is the result from adjustments for accrued liabilities. The General Fund is liable for any deficits and provides transfers when cash is required, not when accruals occur.

NOTE 23 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued. Nothing of significance was noted.

REQUIRED SUPPLEMENTARY INFORMATION

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT FISCAL YEARS (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's proportion of the net pension liability	0.19181000%	0.19681150%	0.20526990%	0.19551270%
School District's proportionate share of the net pension liability	\$ 12,686,718	\$ 11,775,577	\$ 11,756,187	\$ 11,681,452
School District's covered payroll	\$ 6,541,934	\$ 7,019,779	\$ 6,678,752	\$ 6,735,593
School District's proportionate share of the net pension liability as a percentage of its covered payroll	193.93%	167.75%	176.02%	173.43%
Plan fiduciary net position as a percentage of the total pension liability	68.55%	70.85%	71.36%	69.50%

- (1) Information prior to 2014 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
- (2) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

See notes to required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.20282300%	0.20439600%	0.20473100%	0.20473100%
\$ 14,844,772	\$ 11,663,057	\$ 10,361,320	12,174,695
\$ 6,015,535	\$ 6,183,455	\$ 5,721,082	5,925,975
246.77%	188.62%	181.11%	205.45%
62.98%	69.16%	71.70%	65.52%

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT FISCAL YEARS (1)

	2021	2020	2019	2018
School District's proportion of the net pension liability	0.16513233%	0.16512790%	0.16697392%	0.16360304%
School District's proportionate share of the net pension liability	\$ 39,956,148	\$ 36,517,043	\$ 36,713,816	\$ 38,864,253
School District's covered payroll	\$ 19,416,042	\$ 19,365,543	\$ 18,805,491	\$ 18,151,993
School District's proportionate share of the net pension liability as a percentage of its covered payroll	205.79%	188.57%	195.23%	214.10%
Plan fiduciary net position as a percentage of the total pension liability	75.48%	77.40%	77.31%	75.30%

- (1) Information prior to 2014 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
- (2) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

See notes to required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.15954871%	0.16005300%	0.16916800%	0.16916800%
\$ 53,405,763	\$ 44,233,915	\$ 41,147,626	\$ 49,014,783
\$ 16,717,462	\$ 16,704,889	\$ 17,297,477	\$ 18,060,615
319.46%	264.80%	237.88%	271.39%
66.80%	72.10%	74.70%	69.30%

AVON LAKE CITY SCHOOL DISTRICT
 LORAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SCHOOL DISTRICT CONTRIBUTIONS - PENSION
 SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
 LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution	\$ 984,543	\$ 915,871	\$ 947,670	\$ 901,632
Contributions in relation to the contractually required contribution	(984,543)	(915,871)	(947,670)	(901,632)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School District covered payroll	\$ 7,032,452	\$ 6,541,934	\$ 7,019,779	\$ 6,678,752
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%

See notes to required supplementary information.

2017	2016	2015	2014	2013	2012
\$ 942,983	\$ 842,175	\$ 814,979	\$ 792,942	\$ 820,155	\$ 752,662
(942,983)	(842,175)	(814,979)	(792,942)	(820,155)	(752,662)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 6,735,593	\$ 6,015,535	\$ 6,183,455	\$ 5,721,082	\$ 5,925,975	\$ 5,596,000
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

AVON LAKE CITY SCHOOL DISTRICT
 LORAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SCHOOL DISTRICT CONTRIBUTIONS - PENSION
 STATE TEACHERS RETIREMENT SYSTEM OF OHIO
 LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution	\$ 2,936,135	\$ 2,718,246	\$ 2,711,176	\$ 2,632,769
Contributions in relation to the contractually required contribution	(2,936,135)	(2,718,246)	(2,711,176)	(2,632,769)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School District covered payroll	\$ 20,972,391	\$ 19,416,042	\$ 19,365,543	\$ 18,805,491
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

See notes to required supplementary information.

2017	2016	2015	2014	2013	2012
<u>\$ 2,541,279</u>	<u>\$ 2,340,443</u>	<u>\$ 2,338,684</u>	<u>\$ 2,248,672</u>	<u>\$ 2,347,880</u>	<u>\$ 2,390,611</u>
<u>(2,541,279)</u>	<u>(2,340,443)</u>	<u>(2,338,684)</u>	<u>(2,248,672)</u>	<u>(2,347,880)</u>	<u>(2,390,611)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 18,151,993</u>	<u>\$ 16,717,462</u>	<u>\$ 16,704,889</u>	<u>\$ 17,297,477</u>	<u>\$ 18,060,615</u>	<u>\$ 18,389,315</u>
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST FIVE FISCAL YEARS (1)

	2021	2020	2019	2018
School District's proportion of the net OPEB liability	0.1999635%	0.2020627%	0.2078748%	0.1990394%
School District's proportionate share of the net OPEB liability	\$ 4,345,861	\$ 5,081,452	\$ 5,767,008	\$ 5,341,695
School District's covered payroll	\$ 6,541,934	\$ 7,019,779	\$ 6,678,752	\$ 6,735,593
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	66.43%	72.39%	86.35%	79.31%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%

(1) Information prior to 2017 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See notes to required supplementary information.

2017
0.2058185%

\$ 5,866,610

\$ 6,015,535

97.52%

11.49%

AVON LAKE CITY SCHOOL DISTRICT
 LORAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
 THE NET OPEB LIABILITY/(ASSET)
 STATE TEACHERS RETIREMENT SYSTEM OF OHIO
 LAST FIVE FISCAL YEARS (1)

	2021	2020	2019	2018
School District's proportion of the net OPEB liability/(asset)	0.16513233%	0.16512790%	0.16697392%	0.16360304%
School District's proportionate share of the net OPEB liability/(asset)	\$ (2,902,197)	\$ (2,734,914)	\$ (2,683,101)	\$ 6,383,187
School District's covered payroll	\$ 19,416,042	\$ 19,365,543	\$ 18,805,491	\$ 18,151,993
School District's proportionate share of the net OPEB liability/(asset) as a percentage of its covered payroll	-14.95%	-14.12%	-14.27%	35.17%
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	182.13%	174.74%	176.00%	47.10%

(1) Information prior to 2017 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See notes to required supplementary information.

2017
0.15954871%

\$ 8,532,706

\$ 16,717,462

51.04%

37.30%

AVON LAKE CITY SCHOOL DISTRICT
 LORAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS – OPEB
 SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
 LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution (1)	\$ 134,501	\$ 132,825	\$ 160,164	\$ 144,047
Contributions in relation to the contractually required contribution	<u>(134,501)</u>	<u>(132,825)</u>	<u>(160,164)</u>	<u>(144,047)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 7,032,452	\$ 6,541,934	\$ 7,019,779	\$ 6,678,752
OPEB contributions as a percentage of covered payroll	1.91%	2.03%	2.28%	2.16%

(1) Includes Surcharge

See notes to required supplementary information.

2017	2016	2015	2014	2013	2012
<u>\$ 111,438</u>	<u>\$ 105,345</u>	<u>\$ 156,213</u>	<u>\$ 118,686</u>	<u>\$ 104,118</u>	<u>\$ 178,746</u>
<u>(111,438)</u>	<u>(105,345)</u>	<u>(156,213)</u>	<u>(118,686)</u>	<u>(104,118)</u>	<u>(178,746)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,735,593	\$ 6,015,535	\$ 6,183,455	\$ 5,721,082	\$ 5,925,975	\$ 5,596,000
1.65%	1.75%	2.53%	2.07%	1.76%	3.19%

AVON LAKE CITY SCHOOL DISTRICT
 LORAIN COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS – OPEB
 STATE TEACHERS RETIREMENT SYSTEM OF OHIO
 LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution (1)	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 20,972,391	\$ 19,416,042	\$ 19,365,543	\$ 18,805,491
OPEB contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

See notes to required supplementary information.

2017	2016	2015	2014	2013	2012
\$ -	\$ -	\$ -	\$ 172,975	\$ 180,606	\$ 183,893
-	-	-	(172,975)	(180,606)	(183,893)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,151,993	\$ 16,717,462	\$ 16,704,889	\$ 17,297,477	\$ 18,060,615	\$ 18,389,315
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – PENSION

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms – Members, or their survivors, retiring prior to January 1, 2018, receive a COLA increase of 3 percent of their base benefit on the anniversary of their initial date of retirement. Members, or their survivors, retiring on and after January 1, 2018, receive a COLA increase on each anniversary of their initial date of retirement equal to the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0 percent, nor greater than 2.5 percent. COLAs are suspended for calendar years 2018, 2019, and 2020. Members, or their survivors, retiring on and after April 1, 2018, will have their COLA delayed for three years following their initial date of retirement.

Changes in assumptions – The COLA was changed from a fixed 3.00 percent to a COLA that is indexed to CPI-W not greater than 2.50 percent with a floor of 0.0 percent beginning January 1, 2018. In addition, with the authority granted the Board under HB49, the Board has enacted a three year COLA delay for benefit recipients in calendar years 2018, 2019 and 2020.

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefits terms - Effective July 1, 2017, the COLA was reduced to zero.

Changes in assumptions - There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2018. See the notes to the basic financial statements for the methods and assumptions in this calculation.

NOTE 2 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms and funding terms – There have been no changes to the benefit provisions.

Changes in assumptions – Medical trend rates have been adjusted to reflect premium decreases.

AVON LAKE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 2 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms and funding terms – There was no change to the claims cost process. Claim curves were trended to the fiscal year ending Jun 30, 2020 to reflect the current price renewals. The non- Medicare subsidy percentage was increased effective January 1, 2020 from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

Changes in assumptions – There were no changes in assumptions since the prior measurement date.

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Combining
and
Individual Fund Statements
and Schedules

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special Revenue Funds account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

Food Service Fund To account for monies used for the food service operations of the School District.

Local Grants Fund To account for monies received to promote community involvement and volunteer activities between the school and community.

Student Activities Fund To account for those student activity programs which have student participation and have student management of the programs. This fund was not budgeted for fiscal 2021 but will be moving forward.

Athletics Fund To account for gate receipts and other revenues from athletic events and all costs (except personnel services) of the School District's athletic program.

Auxiliary Services Fund To account for monies which provide services and materials to pupils attending non-public schools within the School District.

Student Wellness and Success Fund To account for monies which provide services related to student wellness and professional development.

Miscellaneous State Grants To account for various monies received from state agencies which are not classified elsewhere.

Elementary and Secondary School Emergency Relief Fund (ESSER) To account for restricted Federal grants for funding areas impacted by the disruption and closure of schools from COVID-19.

Coronavirus Relief Fund (CRF) To account for restricted Federal grants to cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19.

Title VI-B Fund To account for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provisions of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

Title I Fund To account for Federal monies to provide financial assistance to state and local educational agencies to meet the needs of educationally deprived children.

Early Childhood Education Development Fund To account for Federal monies which partially support the preschool program focusing on the early education of handicapped children.

Title II-A Fund To account for Federal monies received to encourage and help fund smaller classroom size and additional staffing needs.

Miscellaneous Federal Grants To account for various monies received from Federal agencies which are not classified elsewhere.

Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

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

Scholarship Fund To account for monies from local donations for the purpose of scholarships for students.

Public School Support Fund To account for school site sales revenue and expenditures for field trips, assemblies and other activity costs.

Nonmajor Debt Service Fund

Debt Service Funds are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

Library Bond Retirement Fund To account for the accumulation of tax monies and the payment of general obligation bond principal and interest for the bonds issued for the Avon Lake Public Library.

Nonmajor Capital Project Fund

Capital Projects Funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

Permanent Improvements Fund To account for property taxes levied to be used for various capital projects within the School District.

AVON LAKE CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021

	Total Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash	\$ 657,956	\$ 21,456	\$ 1,799,168	\$ 2,478,580
Receivables, net of allowance				
Taxes, current	-	-	660,625	660,625
Taxes, delinquent	-	-	20,200	20,200
Intergovernmental receivables	16,606	-	-	16,606
Inventories and supplies	12,239	-	-	12,239
Total assets	\$ 686,801	\$ 21,456	\$ 2,479,993	\$ 3,188,250
Liabilities				
Accounts and contracts payable	\$ 10,278	\$ -	\$ -	\$ 10,278
Accrued salaries, wages and benefits	83,336	-	-	83,336
Intergovernmental payable	11,595	-	-	11,595
Interfund payable	82,555	-	-	82,555
Total liabilities	187,764	-	-	187,764
Deferred inflows of resources				
Property taxes levied for next year and unavailable resources	63,585	-	593,101	656,686
Total deferred inflows of resources	63,585	-	593,101	656,686
Fund balances				
Nonspendable	12,239	-	-	12,239
Restricted	453,787	21,456	1,886,892	2,362,135
Unassigned (deficit)	(30,574)	-	-	(30,574)
Total fund balances	435,452	21,456	1,886,892	2,343,800
Total liabilities, deferred inflows of resources and fund balances	\$ 686,801	\$ 21,456	\$ 2,479,993	\$ 3,188,250

AVON LAKE CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Total Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenue				
Taxes	\$ -	\$ -	\$ 627,594	\$ 627,594
Interest	497	-	-	497
Intergovernmental	2,810,948	-	64,316	2,875,264
Extracurricular	177,542	-	-	177,542
Charges for services	122,117	-	-	122,117
Donations and contributions	181,405	-	-	181,405
Miscellaneous	42,486	-	-	42,486
Total revenues	<u>3,334,995</u>	<u>-</u>	<u>691,910</u>	<u>4,026,905</u>
Expenditures				
Current				
Instruction				
Regular	438,216	-	36,227	474,443
Special	863,483	-	-	863,483
Supporting services				
Pupil	230,839	-	-	230,839
Instructional staff	2,469	-	-	2,469
Administration	36,588	-	-	36,588
Fiscal services	-	-	10,583	10,583
Operation and maintenance	207,459	-	92,650	300,109
Pupil transportation	-	-	175,770	175,770
Operation of non-instructional services				
Food service operation	1,179,235	-	-	1,179,235
Community services	275,745	-	-	275,745
Extracurricular activities	351,203	-	-	351,203
Capital outlay	24,000	-	268,534	292,534
Total expenditures	<u>3,609,237</u>	<u>-</u>	<u>583,764</u>	<u>4,193,001</u>
Excess (deficiency) of revenues over expenditures	<u>(274,242)</u>	<u>-</u>	<u>108,146</u>	<u>(166,096)</u>
Other financing sources (uses)				
Transfers in	51,180	-	-	51,180
Transfers out	(5,716)	-	-	(5,716)
Total other financing sources (uses)	<u>45,464</u>	<u>-</u>	<u>-</u>	<u>45,464</u>
Net change in fund balances	(228,778)	-	108,146	(120,632)
Fund balances, beginning of year, restated	<u>664,230</u>	<u>21,456</u>	<u>1,778,746</u>	<u>2,464,432</u>
Fund balances, end of year	<u>\$ 435,452</u>	<u>\$ 21,456</u>	<u>\$ 1,886,892</u>	<u>\$ 2,343,800</u>

AVON LAKE CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

	Food Service	Local Grants	Student Activites	Athletics
Assets				
Equity in pooled cash	\$ 255,517	51,453	\$ 122,778	\$ 141,595
Intergovernmental receivables	13,085	-	-	-
Inventories and supplies	12,239	-	-	-
Total assets	\$ 280,841	51,453	\$ 122,778	\$ 141,595
Liabilities				
Accounts and contracts payable	\$ -	-	\$ -	\$ 4,810
Accrued salaries, wages and benefits	69,137	-	-	-
Intergovernmental payable	9,403	-	-	-
Interfund payable	-	-	-	-
Total liabilities	78,540	-	-	4,810
Deferred inflow s of resources				
Property taxes levied for next year and unavailable resources	63,585	-	-	-
Total deferred inflow s of resources	63,585	-	-	-
Fund balances				
Nonspendable	12,239	-	-	-
Restricted	126,477	51,453	122,778	136,785
Unassigned (deficit)	-	-	-	-
Total fund balances	138,716	51,453	122,778	136,785
Total liabilities, deferred inflow s of resources and fund balances	\$ 280,841	51,453	\$ 122,778	\$ 141,595

Auxiliary Service	Student Wellness and Success	Miscellaneous State Grants	ESSER	CRF
\$ 37,925	\$ -	\$ -	\$ 37,248	\$ 11,440
-	-	-	-	-
-	-	-	-	-
<u>\$ 37,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,248</u>	<u>\$ 11,440</u>
\$ 5,468	\$ -	\$ -	\$ -	\$ -
14,199	-	-	-	-
2,192	-	-	-	-
-	-	-	67,822	11,212
<u>21,859</u>	<u>-</u>	<u>-</u>	<u>67,822</u>	<u>11,212</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
16,066	-	-	-	228
-	-	-	(30,574)	-
<u>16,066</u>	<u>-</u>	<u>-</u>	<u>(30,574)</u>	<u>228</u>
\$ 37,925	\$ -	\$ -	\$ 37,248	\$ 11,440

(continued)

AVON LAKE CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021

	Title VI-B	Title I	Early Childhood Education Development	Title II-A
Assets				
Equity in pooled cash	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	2,826	-	-
Inventories and supplies	-	-	-	-
Total assets	\$ -	\$ 2,826	\$ -	\$ -
Liabilities				
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -
Accrued salaries, wages and benefits	-	-	-	-
Intergovernmental payable	-	-	-	-
Interfund payable	-	2,826	-	-
Total liabilities	-	2,826	-	-
Deferred inflow s of resources				
Property taxes levied for next year and unavailable resources	-	-	-	-
Total deferred inflow s of resources	-	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	-	-	-	-
Total liabilities, deferred inflow s of resources and fund balances	\$ -	\$ 2,826	\$ -	\$ -

Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 657,956
695	16,606
-	12,239
<u>\$ 695</u>	<u>\$ 686,801</u>
\$ -	\$ 10,278
-	83,336
-	11,595
695	82,555
<u>695</u>	<u>187,764</u>
-	63,585
-	63,585
-	12,239
-	453,787
-	(30,574)
-	435,452
<u>\$ 695</u>	<u>\$ 686,801</u>

AVON LAKE CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Food Service	Local Grants	Student Activites	Athletics
Revenue				
Interest	\$ 410	\$ -	\$ -	\$ -
Intergovernmental	845,843	-	-	-
Extracurricular	-	-	69,459	108,083
Charges for services	122,117	-	-	-
Donations and contributions	-	50,537	14,507	116,361
Miscellaneous	-	-	-	42,486
Total revenues	<u>968,370</u>	<u>50,537</u>	<u>83,966</u>	<u>266,930</u>
Expenditures				
Current				
Instruction				
Regular	-	20,278	-	-
Special	-	165	-	-
Supporting services				
Pupil	-	-	-	-
Instructional staff	-	2,308	-	-
Administration	-	-	-	-
Operation and maintenance	-	12,119	-	-
Operation of non-instructional services				
Food service operation	1,178,917	-	-	-
Community services	-	328	971	-
Extracurricular activities	-	-	89,316	261,887
Capital outlay	-	-	-	-
Total expenditures	<u>1,178,917</u>	<u>35,198</u>	<u>90,287</u>	<u>261,887</u>
Excess (deficiency) of revenues over expenditures	<u>(210,547)</u>	<u>15,339</u>	<u>(6,321)</u>	<u>5,043</u>
Other financing sources (uses)				
Transfers in	-	845	3,841	46,494
Transfers out	-	(1,711)	(4,005)	-
Total other financing sources (uses)	<u>-</u>	<u>(866)</u>	<u>(164)</u>	<u>46,494</u>
Net change in fund balances	(210,547)	14,473	(6,485)	51,537
Fund balances, beginning of year, restated	<u>349,263</u>	<u>36,980</u>	<u>129,263</u>	<u>85,248</u>
Fund balances, end of year	<u>\$ 138,716</u>	<u>\$ 51,453</u>	<u>\$ 122,778</u>	<u>\$ 136,785</u>

Auxiliary Service	Student Wellness and Success	Miscellaneous State Grants	ESSER	CRF
\$ 87	\$ -	\$ -	\$ -	\$ -
227,213	174,173	-	124,238	313,548
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>227,300</u>	<u>174,173</u>	<u>-</u>	<u>124,238</u>	<u>313,548</u>
-	101,370	-	80,276	148,513
-	-	-	-	-
-	72,803	-	-	-
-	-	-	-	-
-	-	-	-	36,588
-	-	16,919	74,218	104,203
-	-	-	318	-
257,791	-	-	-	16
-	-	-	-	-
-	-	-	-	24,000
<u>257,791</u>	<u>174,173</u>	<u>16,919</u>	<u>154,812</u>	<u>313,320</u>
<u>(30,491)</u>	<u>-</u>	<u>(16,919)</u>	<u>(30,574)</u>	<u>228</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(30,491)</u>	<u>-</u>	<u>(16,919)</u>	<u>(30,574)</u>	<u>228</u>
<u>46,557</u>	<u>-</u>	<u>16,919</u>	<u>-</u>	<u>-</u>
<u>\$ 16,066</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,574)</u>	<u>\$ 228</u>

(continued)

AVON LAKE CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Title VI-B	Title I	Early Childhood Education Development	Title II-A
Revenue				
Interest	\$ -	\$ -	\$ -	\$ -
Intergovernmental	849,227	171,217	20,236	72,034
Extracurricular	-	-	-	-
Charges for services	-	-	-	-
Donations and contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	849,227	171,217	20,236	72,034
Expenditures				
Current				
Instruction				
Regular	-	3,380	-	71,873
Special	675,245	167,837	20,236	-
Supporting services				
Pupil	158,036	-	-	-
Instructional staff	-	-	-	161
Administration	-	-	-	-
Operation and maintenance	-	-	-	-
Operation of non-instructional services				
Food service operation	-	-	-	-
Community services	15,946	-	-	-
Extracurricular activities	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	849,227	171,217	20,236	72,034
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances, beginning of year, restated	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 497
13,219	2,810,948
-	177,542
-	122,117
-	181,405
-	42,486
<u>13,219</u>	<u>3,334,995</u>
12,526	438,216
-	863,483
-	230,839
-	2,469
-	36,588
-	207,459
-	1,179,235
693	275,745
-	351,203
-	24,000
<u>13,219</u>	<u>3,609,237</u>
-	<u>(274,242)</u>
-	51,180
-	<u>(5,716)</u>
-	<u>45,464</u>
-	(228,778)
-	<u>664,230</u>
<u>\$ -</u>	<u>\$ 435,452</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ 34,841,358	\$ 35,217,657	\$ 35,232,046	\$ 14,389
Tuition and fees	493,500	498,830	499,034	204
Interest	216,644	218,984	219,073	89
Intergovernmental	7,746,627	7,830,294	7,833,493	3,199
Miscellaneous	225,839	228,278	228,371	93
Total revenues	<u>43,523,968</u>	<u>43,994,043</u>	<u>44,012,017</u>	<u>17,974</u>
Expenditures				
Current				
Instruction				
Regular				
Salaries	14,920,106	14,875,577	14,558,343	317,234
Benefits	5,595,425	5,578,726	5,459,755	118,971
Purchased services	729,308	727,132	711,625	15,507
Materials and supplies	716,608	714,470	699,233	15,237
Capital outlay	368,848	367,748	359,905	7,843
Total regular	<u>22,330,295</u>	<u>22,263,653</u>	<u>21,788,861</u>	<u>474,792</u>
Special				
Salaries	2,548,707	2,541,100	2,486,909	54,191
Benefits	991,658	988,699	967,614	21,085
Purchased services	2,306,831	2,299,946	2,250,898	49,048
Materials and supplies	8,210	8,186	8,011	175
Capital outlay	2,446	2,439	2,387	52
Total special	<u>5,857,852</u>	<u>5,840,370</u>	<u>5,715,819</u>	<u>124,551</u>
Adult/continuing				
Benefits	10	10	10	-
Total adult/continuing	<u>10</u>	<u>10</u>	<u>10</u>	<u>-</u>
Other				
Salaries	220,536	219,878	215,189	4,689
Benefits	61,715	61,531	60,219	1,312
Purchased services	452,879	451,527	441,898	9,629
Other	24,908	24,834	24,304	530
Total other instruction	<u>760,038</u>	<u>757,770</u>	<u>741,610</u>	<u>16,160</u>
Total instruction	<u>\$ 28,948,195</u>	<u>\$ 28,861,803</u>	<u>\$ 28,246,300</u>	<u>\$ 615,503</u>

(continued)

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Supporting services				
Pupil				
Salaries	\$ 1,714,414	\$ 1,709,297	\$ 1,672,845	\$ 36,452
Benefits	799,712	797,326	780,322	17,004
Purchased services	572,214	570,507	558,340	12,167
Materials and supplies	120,611	120,251	117,687	2,564
Capital outlay	4,089	4,077	3,990	87
Total pupil	<u>3,211,040</u>	<u>3,201,458</u>	<u>3,133,184</u>	<u>68,274</u>
Instructional staff				
Salaries	1,019,691	1,016,648	994,967	21,681
Benefits	424,693	423,426	414,396	9,030
Purchased services	157,219	156,750	153,407	3,343
Materials and supplies	38,194	38,080	37,268	812
Capital outlay	452,037	450,688	441,077	9,611
Total instructional staff	<u>2,091,834</u>	<u>2,085,592</u>	<u>2,041,115</u>	<u>44,477</u>
Board of education				
Salaries	7,686	7,663	7,500	163
Benefits	1,101	1,097	1,074	23
Purchased services	977	974	953	21
Other	9,685	9,656	9,450	206
Total board of education	<u>19,449</u>	<u>19,390</u>	<u>18,977</u>	<u>413</u>
Administration				
Salaries	2,230,155	2,223,499	2,176,081	47,418
Benefits	1,236,932	1,233,241	1,206,941	26,300
Purchased services	290,295	289,428	283,256	6,172
Materials and supplies	37,148	37,037	36,247	790
Capital outlay	14,635	14,591	14,280	311
Other	43,095	42,966	42,050	916
Total administration	<u>3,852,260</u>	<u>3,840,762</u>	<u>3,758,855</u>	<u>81,907</u>
Fiscal				
Salaries	368,776	367,675	359,834	7,841
Benefits	173,231	172,714	169,031	3,683
Purchased services	26,513	26,434	25,870	564
Materials and supplies	3,400	3,390	3,318	72
Capital outlay	3,784	3,772	3,692	80
Other	642,055	640,138	626,487	13,651
Total fiscal	<u>\$ 1,217,759</u>	<u>\$ 1,214,123</u>	<u>\$ 1,188,232</u>	<u>\$ 25,891</u>

(continued)

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Business				
Benefits	\$ 102,490	\$ 102,184	\$ 100,005	\$ 2,179
Purchased services	22,865	22,797	22,311	486
Materials and supplies	372	371	363	8
Other	549	548	536	12
Total business	<u>388,388</u>	<u>387,230</u>	<u>378,972</u>	<u>8,258</u>
Operation and maintenance				
Salaries	1,659,421	1,654,469	1,619,186	35,283
Benefits	750,412	748,172	732,217	15,955
Purchased services	1,906,318	1,900,629	1,860,096	40,533
Materials and supplies	285,814	284,961	278,884	6,077
Capital outlay	66,894	66,694	65,272	1,422
Total operation and maintenance	<u>4,668,859</u>	<u>4,654,925</u>	<u>4,555,655</u>	<u>99,270</u>
Pupil transportation				
Salaries	1,090,119	1,086,865	1,063,687	23,178
Benefits	294,794	293,914	287,646	6,268
Purchased services	161,360	160,879	157,448	3,431
Materials and supplies	209,972	209,345	204,881	4,464
Capital outlay	3,386	3,376	3,304	72
Other	725	722	707	15
Total pupil transportation	<u>1,760,356</u>	<u>1,755,101</u>	<u>1,717,673</u>	<u>37,428</u>
Central services				
Salaries	113,309	112,971	110,562	2,409
Benefits	55,640	55,474	54,291	1,183
Purchased services	78,765	78,530	76,855	1,675
Other	237,114	236,407	231,365	5,042
Total central services	<u>484,828</u>	<u>483,382</u>	<u>473,073</u>	<u>10,309</u>
Total supporting services	<u>17,694,773</u>	<u>17,641,963</u>	<u>17,265,736</u>	<u>376,227</u>
Operation of non-instructional services				
Food service operation				
Salaries	4,099	4,087	4,000	87
Total food service operation	<u>4,099</u>	<u>4,087</u>	<u>4,000</u>	<u>87</u>
Community services				
Salaries	2,155	2,149	2,103	46
Benefits	365	364	356	8
Purchased services	2,050	2,044	2,000	44
Capital outlay	39,003	38,886	38,057	829
Total community services	<u>43,573</u>	<u>43,443</u>	<u>42,516</u>	<u>927</u>
Total operation of non-instructional services	<u>\$ 47,672</u>	<u>\$ 47,530</u>	<u>\$ 46,516</u>	<u>\$ 1,014</u>

(continued)

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Extracurricular activities				
Academic and subject oriented				
Salaries	\$ 72,581	\$ 72,364	\$ 70,821	\$ 1,543
Benefits	9,602	9,573	9,369	204
Contractual services	2,757	2,749	2,690	59
Materials and supplies	1,022	1,019	997	22
Total academic and subject oriented	<u>85,962</u>	<u>85,705</u>	<u>83,877</u>	<u>1,828</u>
Occupation oriented				
Salaries	1,366	1,362	1,333	29
Benefits	162	161	158	3
Total occupation oriented	<u>1,528</u>	<u>1,523</u>	<u>1,491</u>	<u>32</u>
Sports oriented				
Salaries	603,199	601,398	588,573	12,825
Benefits	141,388	140,966	137,960	3,006
Purchased services	22,874	22,805	22,319	486
Materials and supplies	1,242	1,238	1,212	26
Capital outlay	43,247	43,118	42,198	920
Total sports oriented	<u>811,950</u>	<u>809,525</u>	<u>792,262</u>	<u>17,263</u>
Co-curricular activities				
Salaries	52,431	52,275	51,160	1,115
Benefits	6,861	6,841	6,695	146
Total co-curricular activities	<u>59,292</u>	<u>59,116</u>	<u>57,855</u>	<u>1,261</u>
Total extracurricular activities	<u>958,732</u>	<u>955,869</u>	<u>935,485</u>	<u>20,384</u>
Capital outlay	30,745	30,654	30,000	654
Total expenditures	<u>47,680,117</u>	<u>47,537,819</u>	<u>46,524,037</u>	<u>1,013,782</u>
Excess (deficiency) of revenues over expenditures	<u>(4,156,149)</u>	<u>(3,543,776)</u>	<u>(2,512,020)</u>	<u>1,031,756</u>
Other financing sources				
Gain on sale of assets	-	37,181	37,181	-
Advances in	-	101,791	101,791	-
Refund of prior year expenditures	-	397,910	397,910	-
Transfers-out	-	(46,955)	(46,955)	-
Advances out	-	(93,345)	(93,345)	-
Total other financing sources	<u>-</u>	<u>396,582</u>	<u>396,582</u>	<u>-</u>
Net change in fund balance	(4,156,149)	(3,147,194)	(2,115,438)	1,031,756
Prior year encumbrances	1,401,941	1,401,941	1,401,941	-
Fund balances, beginning of year	14,692,155	14,692,155	14,692,155	-
Fund balances, end of year	<u>\$ 11,937,947</u>	<u>\$ 12,946,902</u>	<u>\$ 13,978,658</u>	<u>\$ 1,031,756</u>

AVON LAKE CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2021

	Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 4,224,271	\$ 17,070,914	\$ 17,070,914	\$ -
Total expenditures and other uses	4,969,753	16,870,992	16,870,992	-
Net change in fund balance	(745,482)	199,922	199,922	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	2,794,310	2,794,310	2,794,310	-
Fund balances, end of year	\$ 2,048,828	\$ 2,994,232	\$ 2,994,232	\$ -

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Food Service			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 900,000	\$ 831,259	\$ 835,477	\$ 4,218
Total expenditures and other uses	902,310	1,097,310	1,075,553	21,757
Net change in fund balance	(2,310)	(266,051)	(240,076)	25,975
Prior year encumbrances	2,310	2,310	2,310	-
Fund balances, beginning of year	474,761	474,761	474,761	-
Fund balances, end of year	<u>\$ 474,761</u>	<u>\$ 211,020</u>	<u>\$ 236,995</u>	<u>\$ 25,975</u>

	Local Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 51,382	\$ 51,382	\$ -
Total expenditures and other uses	17,344	40,284	36,909	3,375
Net change in fund balance	(17,344)	11,098	14,473	3,375
Prior year encumbrances	12,344	12,344	12,344	-
Fund balances, beginning of year	24,636	24,636	24,636	-
Fund balances, end of year	<u>\$ 19,636</u>	<u>\$ 48,078</u>	<u>\$ 51,453</u>	<u>\$ 3,375</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Athletics Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 50,000	\$ 322,386	\$ 322,386	\$ -
Total expenditures and other uses	123,250	313,250	302,050	11,200
Net change in fund balance	(73,250)	9,136	20,336	11,200
Prior year encumbrances	25,050	25,050	25,050	-
Fund balances, beginning of year	84,171	84,171	84,171	-
Fund balances, end of year	<u>\$ 35,971</u>	<u>\$ 118,357</u>	<u>\$ 129,557</u>	<u>\$ 11,200</u>

	Auxiliary Services Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 200,000	\$ 227,297	\$ 227,300	\$ 3
Total expenditures and other uses	239,692	282,513	282,513	-
Net change in fund balance	(39,692)	(55,216)	(55,213)	3
Prior year encumbrances	39,692	39,692	39,692	-
Fund balances, beginning of year	29,804	29,804	29,804	-
Fund balances, end of year	<u>\$ 29,804</u>	<u>\$ 14,280</u>	<u>\$ 14,283</u>	<u>\$ 3</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Student Wellness and Success Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 174,173	\$ 174,173	\$ -
Total expenditures and other uses	-	174,173	174,173	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Miscellaneous State Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ -	\$ -	\$ -
Total expenditures and other uses	-	16,919	16,919	-
Net change in fund balance	-	(16,919)	(16,919)	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	16,919	16,919	16,919	-
Fund balances, end of year	<u>\$ 16,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Esser Grant Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 192,060	\$ 192,060	\$ -
Total expenditures and other uses	-	192,060	192,060	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Coronavirus Relief Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 324,760	\$ 324,760	\$ -
Total expenditures and other uses	-	324,760	324,760	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Title VI-B Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 739,732	\$ 922,445	\$ 922,445	\$ -
Total expenditures and other uses	740,332	923,045	923,045	-
Net change in fund balance	(600)	(600)	(600)	-
Prior year encumbrances	600	600	600	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Title I Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 155,972	\$ 173,825	\$ 173,825	\$ -
Total expenditures and other uses	155,972	173,825	173,825	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

Early Childhood Education Development Fund				
	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
	Total revenues and other sources	\$ 19,006		
Total expenditures and other uses	19,006	20,236	20,236	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

Title II-A Fund				
	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
	Total revenues and other sources	\$ 60,132		
Total expenditures and other uses	60,132	74,913	74,913	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Miscellaneous Federal Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 12,320	\$ 13,982	\$ 13,982	\$ -
Total expenditures and other uses	12,500	14,162	14,162	-
Net change in fund balance	(180)	(180)	(180)	-
Prior year encumbrances	180	180	180	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Scholarship Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 4,919	\$ 4,924	\$ 5
Total expenditures and other uses	2,500	8,950	8,950	-
Net change in fund balance	(2,500)	(4,031)	(4,026)	5
Prior year encumbrances	1,500	1,500	1,500	-
Fund balances, beginning of year	106,410	106,410	106,410	-
Fund balances, end of year	<u>\$ 105,410</u>	<u>\$ 103,879</u>	<u>\$ 103,884</u>	<u>\$ 5</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Public School Support Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 74,588	\$ 74,588	\$ -
Total expenditures and other uses	18,684	68,684	60,213	8,471
Net change in fund balance	(18,684)	5,904	14,375	8,471
Prior year encumbrances	3,684	3,684	3,684	-
Fund balances, beginning of year	187,914	187,914	187,914	-
Fund balances, end of year	<u>\$ 172,914</u>	<u>\$ 197,502</u>	<u>\$ 205,973</u>	<u>\$ 8,471</u>

	Library Bond Retirement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ -	\$ -	\$ -
Total expenditures and other uses	-	-	-	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	21,456	21,456	21,456	-
Fund balances, end of year	<u>\$ 21,456</u>	<u>\$ 21,456</u>	<u>\$ 21,456</u>	<u>\$ -</u>

AVON LAKE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Permanent Improvements Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 704,986	\$ 773,487	\$ 773,487	\$ -
Total expenditures and other uses	1,056,542	1,031,542	1,011,140	20,402
Net change in fund balance	(351,556)	(258,055)	(237,653)	20,402
Prior year encumbrances	-	-	377,342	377,342
Fund balances, beginning of year	1,277,103	1,277,103	1,277,103	-
Fund balances, end of year	\$ 925,547	\$ 1,019,048	\$ 1,416,792	\$ 397,744

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STATISTICAL SECTION



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STATISTICAL SECTION

This part of the Avon Lake 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.

Contents	Page
Financial Trends	S 2
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	S 16
These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	
Debt Capacity	S 25
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.	
Demographic and Economic Information	S 30
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	S 32
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

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

AVON LAKE CITY SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Governmental activities				
Net investment in capital assets	\$ 18,375,711	\$ 17,000,885	\$ 14,756,361	\$ 13,024,434
Restricted	8,744,646	8,581,227	8,962,709	6,506,101
Unrestricted	(43,952,684)	(36,979,459)	(34,944,782)	(33,642,110)
Total primary government net position	<u>\$ (16,832,327)</u>	<u>\$ (11,397,347)</u>	<u>\$ (11,225,712)</u>	<u>\$ (14,111,575)</u>

Note:

Year 2012 has been restated to reflect the effects of a prior period adjustment recorded in 2013.
Year 2011 has been restated to reflect the effects of a prior period adjustment recorded in 2012.
Year 2014 has been restated due to the implementation of GASB Statement No. 68.
Year 2016 has been restated due to a prior period adjustment related to deferred inflow s, deferred outflow s and net pension liability.
Year 2017 has been restated due to the implementation of GASB Statement No. 75.

2017	2016	2015	2014	2013	2012
\$ 12,128,924	\$ 10,190,220	\$ 8,870,400	\$ 7,729,401	\$ 8,694,493	\$ 8,871,320
5,485,518	5,234,676	5,287,563	5,404,860	6,424,518	5,964,568
(60,426,094)	(43,716,896)	(47,987,935)	(52,447,820)	4,095,943	5,494,757
<u>\$ (42,811,652)</u>	<u>\$ (28,292,000)</u>	<u>\$ (33,829,972)</u>	<u>\$ (39,313,559)</u>	<u>\$ 19,214,954</u>	<u>\$ 20,330,645</u>

AVON LAKE CITY SCHOOL DISTRICT
EXPENSES, PROGRAM REVENUES AND NET (EXPENSES) REVENUES
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 25,584,021	\$ 23,456,762	\$ 18,873,401	\$ 7,818,029
Special	6,610,500	6,406,105	5,322,915	2,633,328
Vocational	-	-	-	-
Adult/continuing	-	7,043	8,937	7,757
Other instruction	749,517	883,593	660,789	651,549
Supporting services				
Pupil	3,424,373	3,021,675	2,537,561	1,562,912
Instructional staff	2,088,089	1,784,274	1,694,975	1,187,636
Board of education	18,977	23,933	26,392	22,218
Administration	3,997,597	3,475,379	3,255,267	2,088,751
Fiscal services	1,249,255	1,091,973	1,228,626	1,079,161
Business	362,137	218,283	451,251	300,319
Operation and maintenance	4,434,688	4,289,916	4,474,810	4,672,811
Pupil transportation	1,796,924	1,863,969	2,074,319	1,728,198
Central services	450,250	432,598	1,034,013	242,029
Operation of non-instructional services				
Food service operation	1,197,400	1,298,033	1,328,217	1,176,719
Community services	335,204	263,514	233,452	187,543
Extracurricular activities	1,293,358	1,317,463	1,165,364	624,601
Interest and fiscal charges	2,694,600	1,926,538	1,885,612	1,863,852
Total primary government expenses	<u>56,286,890</u>	<u>51,761,051</u>	<u>46,255,901</u>	<u>27,847,413</u>
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction	307,055	585,273	696,240	966,891
Supporting services	34,992	68,261	86,596	141,455
Food service	122,117	672,815	933,262	921,460
Extracurricular activities	412,007	370,867	524,505	282,118
Operating grants, interest and contributions	3,032,625	1,769,655	1,734,026	1,638,082
Total primary government program revenues	<u>3,908,796</u>	<u>3,466,871</u>	<u>3,974,629</u>	<u>3,950,006</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (52,378,094)</u>	<u>\$ (48,294,180)</u>	<u>\$ (42,281,272)</u>	<u>\$ (23,897,407)</u>

Note:

Year 2012 has been restated to reflect the effects of a prior period adjustment recorded in 2013.
Year 2011 has been restated to reflect the effects of a prior period adjustment recorded in 2012.
The decrease in expenses in 2018 is due to net negative expense of \$17,926,372 related to the effects of GASB 68 and GASB 75.

2017	2016	2015	2014	2013	2012
\$ 20,522,649	\$ 20,312,398	\$ 18,710,477	\$ 19,441,025	\$ 21,373,667	\$ 19,371,019
5,176,972	4,760,004	4,264,727	4,135,900	3,014,516	2,727,407
-	-	-	3,273	106,982	65,886
9,751	9,562	9,972	11,580	12,586	17,130
911,223	887,928	809,304	1,126,292	1,371,889	1,544,720
2,780,478	2,762,880	2,239,083	2,572,330	4,243,694	3,685,135
1,901,395	1,608,512	1,326,965	1,123,271	968,197	895,534
19,701	19,446	20,544	24,029	16,134	21,129
3,635,512	3,560,633	3,102,611	3,049,875	3,195,086	3,516,540
1,212,368	1,257,474	1,134,761	992,046	1,068,458	1,111,341
360,590	318,233	283,355	198,081	153,061	144,746
5,085,469	4,329,269	4,476,025	4,802,518	4,187,039	7,165,255
1,956,379	1,817,520	1,805,718	1,724,228	1,802,544	1,362,748
237,835	290,224	293,523	232,342	320,972	217,284
1,252,674	1,254,263	1,174,997	1,237,815	1,356,079	1,377,802
511,931	649,046	369,498	410,932	279,348	259,851
1,281,536	1,261,581	1,132,041	1,266,615	1,335,805	1,297,017
1,995,629	1,660,446	2,059,216	2,788,163	3,015,472	3,036,866
<u>48,852,092</u>	<u>46,759,419</u>	<u>43,212,817</u>	<u>45,140,315</u>	<u>47,821,529</u>	<u>47,817,410</u>
857,411	703,726	733,885	684,434	614,733	507,683
146,448	214,753	146,927	232,665	68,539	50,507
849,356	957,348	917,497	966,715	1,069,630	1,106,780
362,840	624,206	371,928	412,092	416,515	480,230
1,671,614	1,720,987	1,457,351	1,596,335	1,604,613	1,815,456
<u>3,887,669</u>	<u>4,221,020</u>	<u>3,627,588</u>	<u>3,892,241</u>	<u>3,774,030</u>	<u>3,960,656</u>
<u>\$ (44,964,423)</u>	<u>\$ (42,538,399)</u>	<u>\$ (39,585,229)</u>	<u>\$ (41,248,074)</u>	<u>\$ (44,047,499)</u>	<u>\$ (43,856,754)</u>

AVON LAKE CITY SCHOOL DISTRICT
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Net (expense) revenue				
Total primary government net expense	\$ (52,378,094)	\$ (48,294,180)	\$ (42,281,272)	\$ (23,897,407)
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	33,011,285	34,348,711	31,048,943	37,265,363
Debt service	3,378,117	3,584,286	3,367,851	4,247,695
Capital improvements	623,394	634,878	582,244	682,101
Grants and entitlements				
not restricted to specific purposes	9,096,918	9,001,015	9,272,952	9,728,165
Investment earnings	219,686	488,680	376,506	265,039
Miscellaneous	482,308	64,975	518,639	409,121
Total primary government	<u>46,811,708</u>	<u>48,122,545</u>	<u>45,167,135</u>	<u>52,597,484</u>
Change in net position				
Total primary government	<u>\$ (5,566,386)</u>	<u>\$ (171,635)</u>	<u>\$ 2,885,863</u>	<u>\$ 28,700,077</u>

Note:

Year 2012 has been restated to reflect the effects of a prior period adjustment recorded in 2013.
Year 2011 has been restated to reflect the effects of a prior period adjustment recorded in 2012.

2017	2016	2015	2014	2013	2012
\$ (44,964,423)	\$ (42,538,399)	\$ (39,585,229)	\$ (41,248,074)	\$ (44,047,499)	\$ (43,856,754)
29,868,528	31,534,627	29,777,599	26,118,293	27,718,418	25,420,556
3,360,889	3,596,979	3,486,624	3,584,698	4,682,640	4,058,496
549,918	576,943	524,131	522,441	627,991	571,993
10,234,739	10,650,510	10,764,213	10,162,477	9,341,447	10,707,023
213,539	149,799	42,117	41,298	55,891	94,718
505,036	498,082	474,132	531,290	505,421	563,411
44,732,649	47,006,940	45,068,816	40,960,497	42,931,808	41,416,197
\$ (231,774)	\$ 4,468,541	\$ 5,483,587	\$ (287,577)	\$ (1,115,691)	\$ (2,440,557)

AVON LAKE CITY SCHOOL DISTRICT
 FUND BALANCES – GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
General Fund				
Nondisposable	\$ 50,261	\$ 72,062	\$ 44,263	\$ 55,469
Committed	113,990	113,990	113,990	113,990
Assigned	1,224,556	1,463,528	1,312,601	975,342
Unassigned	14,157,686	17,052,028	17,045,376	18,734,427
Total General Fund	<u>\$ 15,546,493</u>	<u>\$ 18,701,608</u>	<u>\$ 18,516,230</u>	<u>\$ 19,879,228</u>
All other governmental funds				
Nondisposable	\$ 12,239	\$ 26,669	\$ 13,124	\$ 10,207
Restricted	5,931,043	5,872,063	6,363,434	6,466,009
Unassigned	(30,574)	-	(1,099)	(27,607)
Total all other governmental funds	<u>\$ 5,912,708</u>	<u>\$ 5,898,732</u>	<u>\$ 6,375,459</u>	<u>\$ 6,448,609</u>

2017	2016	2015	2014	2013	2012
\$ 38,487	\$ 50,056	\$ 48,362	\$ 34,038	\$ 47,316	\$ 45,491
113,990	113,990	113,990	113,990	113,990	113,990
1,447,992	1,117,869	1,507,312	898,319	665,041	2,359,708
13,125,291	13,479,757	7,921,656	5,561,998	3,953,162	6,738,578
<u>\$ 14,725,760</u>	<u>\$ 14,761,672</u>	<u>\$ 9,591,320</u>	<u>\$ 6,608,345</u>	<u>\$ 4,779,509</u>	<u>\$ 9,257,767</u>
\$ 13,060	\$ 12,766	\$ 15,938	\$ 12,053	\$ 14,359	\$ 15,520
6,034,459	5,860,743	5,983,609	5,844,916	5,904,638	5,775,418
(16,106)	(15,384)	(18,753)	-	(363,414)	(123,968)
<u>\$ 6,031,413</u>	<u>\$ 5,858,125</u>	<u>\$ 5,980,794</u>	<u>\$ 5,856,969</u>	<u>\$ 5,555,583</u>	<u>\$ 5,666,970</u>

AVON LAKE CITY SCHOOL DISTRICT
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Taxes	\$ 37,268,796	\$ 38,189,875	\$ 35,925,838	\$ 41,180,759
Tuition and fees	504,044	758,465	885,725	953,897
Interest	219,686	488,680	371,088	251,970
Intergovernmental	12,129,543	10,770,670	10,993,921	11,354,275
Extracurricular	197,421	251,618	364,649	320,617
Charges for services	122,117	672,815	933,262	947,402
Donations and contributions	221,677	97,203	114,500	37,953
Rental	-	-	-	-
Miscellaneous	<u>276,039</u>	<u>354,518</u>	<u>453,706</u>	<u>460,471</u>
Total	<u>\$ 50,939,323</u>	<u>\$ 51,583,844</u>	<u>\$ 50,042,689</u>	<u>\$ 55,507,344</u>

(1) Donations and contributions included in Miscellaneous.

Source: School District Financial Records, Total Governmental Funds.

<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013 (1)</u>	<u>2012 (1)</u>
\$ 33,997,635	\$ 35,197,349	\$ 34,128,554	\$ 32,684,832	\$ 30,618,749	\$ 29,737,745
878,384	764,372	462,453	617,658	683,272	558,190
202,399	143,850	42,400	42,567	49,359	87,668
11,906,353	12,371,497	12,221,564	11,758,812	10,946,060	12,522,479
406,907	581,284	545,476	557,933	416,515	480,230
849,356	957,348	917,497	966,715	1,069,630	1,106,780
-	-	-	-	-	-
-	-	-	-	-	107,967
<u>584,963</u>	<u>711,428</u>	<u>793,652</u>	<u>684,890</u>	<u>528,239</u>	<u>455,819</u>
<u>\$ 48,825,997</u>	<u>\$ 50,727,128</u>	<u>\$ 49,111,596</u>	<u>\$ 47,313,407</u>	<u>\$ 44,311,824</u>	<u>\$ 45,056,878</u>

AVON LAKE CITY SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Expenditures				
Current				
Instruction				
Regular	\$ 21,882,743	\$ 20,679,314	\$ 20,276,325	\$ 19,812,791
Special	6,271,132	6,191,814	5,867,979	5,245,426
Vocational	-	-	-	-
Adult/continuing	-	6,418	8,881	9,132
Other instruction	721,240	847,904	736,480	864,129
Supporting services				
Pupil	3,313,635	2,888,204	2,776,722	2,692,922
Instructional staff	2,011,490	1,684,566	1,847,901	1,617,268
Board of education	18,977	23,933	26,392	22,218
Administration	3,745,032	3,320,308	3,562,264	3,410,229
Fiscal services	1,246,630	1,051,215	1,219,757	1,173,188
Business	382,404	195,186	446,858	344,425
Operation and maintenance	4,513,382	4,095,557	4,462,910	4,272,405
Pupil transportation	1,828,180	1,803,706	1,968,427	1,778,629
Central services	448,838	415,474	258,094	263,635
Operation of non-instructional services				
Food service operation	1,183,235	1,262,468	1,319,546	1,250,428
Community services	324,659	277,855	275,062	390,772
Extracurricular activities	1,283,130	1,405,655	1,289,343	1,117,792
Capital outlay	322,534	642,067	73,567	593,775
Debt service				
Principal	3,490,000	3,555,000	3,480,000	3,447,107
Interest	1,427,455	1,537,043	1,589,729	1,631,469
Total expenditures	\$ 54,414,696	\$ 51,883,687	\$ 51,486,237	\$ 49,937,740
 Debt service as a percentage of noncapital expenditures	<u>9.16%</u>	<u>10.01%</u>	<u>9.89%</u>	<u>10.19%</u>

Source: School District Financial Records, Total Governmental Funds.

Year 2012 has been restated to reflect the effects of a prior period adjustment recorded in 2013.

Year 2011 has been restated to reflect the effects of a prior period adjustment recorded in 2012.

2017	2016	2015	2014	2013	2012
\$ 18,709,138	\$ 17,198,203	\$ 18,219,805	\$ 17,332,276	\$ 19,616,034	\$ 19,398,187
4,999,838	4,517,206	4,462,878	4,110,175	3,006,578	2,769,506
-	-	-	3,273	102,771	104,068
9,275	9,058	10,840	11,580	12,586	17,130
894,323	879,565	837,976	1,119,051	1,365,666	1,540,655
2,740,598	2,640,708	2,462,414	2,559,018	4,181,604	3,600,350
1,895,541	1,483,311	1,362,396	1,104,025	959,047	881,209
19,701	18,900	21,594	24,029	16,134	21,129
3,188,001	3,169,280	2,961,584	2,857,123	3,040,381	3,139,182
1,186,098	1,202,841	1,154,589	998,075	1,059,950	1,132,733
334,096	301,237	294,868	164,140	145,900	137,857
4,521,621	3,990,320	4,253,903	4,364,108	4,421,660	4,505,781
1,932,475	1,726,321	1,852,395	1,693,821	1,891,030	1,563,521
236,060	288,673	295,225	232,342	320,972	217,284
1,234,810	1,193,148	1,160,788	1,183,381	1,311,263	1,318,768
489,629	632,357	374,877	408,039	259,618	252,561
1,221,935	1,198,015	1,166,613	1,319,363	1,306,724	1,301,928
-	122,944	33,635	40,654	1,039,794	2,833,760
3,414,147	3,421,898	7,051,399	3,154,540	2,318,449	2,817,336
1,662,816	1,685,460	3,310,246	2,504,172	2,525,308	2,366,009
<u>\$ 48,690,102</u>	<u>\$ 45,679,445</u>	<u>\$ 51,288,025</u>	<u>\$ 45,183,185</u>	<u>\$ 48,901,469</u>	<u>\$ 49,918,954</u>
<u>10.65%</u>	<u>11.35%</u>	<u>20.44%</u>	<u>12.60%</u>	<u>10.31%</u>	<u>11.34%</u>

AVON LAKE CITY SCHOOL DISTRICT
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2021	2020	2019	2018
Excess of revenues over (under) expenditures	\$ (3,475,373)	\$ (299,843)	\$ (1,443,548)	\$ 5,569,604
Other financing sources (uses)				
Proceeds of refunding bonds	10,945,000	-	-	-
Transfers-in	54,814	12,499	-	371
Note issuance	-	-	-	-
Bond issuance	-	-	-	-
Premium on debt issuance	1,117,434	-	-	-
Proceeds from sale of assets	37,181	8,494	7,400	1,060
Capital lease proceeds	-	-	-	-
Transfers-out	(54,814)	(12,499)	-	(371)
Payment to bond escrow agent	(11,896,787)	-	-	-
Total other financing sources (uses)	<u>202,828</u>	<u>8,494</u>	<u>7,400</u>	<u>1,060</u>
Net change in fund balances	<u>\$ (3,272,545)</u>	<u>\$ (291,349)</u>	<u>\$ (1,436,148)</u>	<u>\$ 5,570,664</u>

Source: School District Financial Records, Total Governmental Funds.

Year 2012 has been restated to reflect the effects of a prior period adjustment recorded in 2013.
Year 2011 has been restated to reflect the effects of a prior period adjustment recorded in 2012.

2017	2016	2015	2014	2013	2012
\$ 135,895	\$ 5,047,683	\$ (2,176,429)	\$ 2,130,222	\$ (4,589,645)	\$ (4,862,076)
-	-	31,594,934	-	-	-
3,666	-	15,000	-	-	224,620
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,732,429	-	-	-
1,481	-	-	-	-	-
-	-	42,450	-	-	418,214
(3,666)	-	-	-	-	(224,620)
-	-	(27,835,000)	-	-	-
1,481	-	5,549,813	-	-	418,214
\$ 137,376	\$ 5,047,683	\$ 3,373,384	\$ 2,130,222	\$ (4,589,645)	\$ (4,443,862)

AVON LAKE CITY SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Year	Agriculture, Residential and Other Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)
2021	\$ 963,685,100	\$ 2,753,386,000	\$ 74,951,190	\$ 85,171,807
2020	949,848,060	2,713,851,600	64,726,250	73,552,557
2019	937,185,980	2,677,674,229	65,134,520	74,016,500
2018	827,576,400	2,364,504,000	54,806,360	62,279,955
2017	815,545,460	2,330,129,886	51,256,120	58,245,591
2016	805,781,100	2,302,231,714	43,768,750	49,737,216
2015	748,573,960	2,138,782,743	39,187,470	44,531,216
2014	739,254,670	2,112,156,200	38,214,330	43,425,375
2013	729,211,340	2,083,460,971	56,087,710	63,736,034
2012	774,133,040	2,211,808,686	55,420,640	62,978,000

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) Total assessed rate is per \$ 1,000 assessed valuation.

Assessed Value	Total Estimated Actual Value	Total Assessed Rate (3)
\$ 1,038,636,290	\$ 2,838,557,807	69.07
1,014,574,310	2,787,404,157	69.24
1,002,320,500	2,751,690,729	69.41
882,382,760	2,426,783,955	72.28
866,801,580	2,388,375,477	72.41
849,549,850	2,351,968,930	72.69
787,761,430	2,183,313,959	74.57
777,469,000	2,155,581,575	75.10
785,299,050	2,147,197,005	67.23
829,553,680	2,274,786,686	65.57

AVON LAKE CITY SCHOOL DISTRICT
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$ 1,000 ASSESSED VALUATION)
LAST TEN FISCAL YEARS

Year	Avon Lake City School District			
	General Fund	Debt Service Fund	Capital Projects Fund	Total Direct Tax Rate
2021	63.68	3.89	1.50	69.07
2020	63.84	3.90	1.50	69.24
2019	63.84	4.07	1.50	69.41
2018	66.15	4.63	1.50	72.28
2017	66.28	4.63	1.50	72.41
2016	66.54	4.65	1.50	72.69
2015	67.99	5.08	1.50	74.57
2014	68.15	5.45 (1)	1.50	75.10
2013	59.43	6.30 (1)	1.50	67.23
2012	58.93	5.14 (1)	1.50	65.57

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) - Includes .76 mills for debt retirement for the Avon Lake Public Library.

Library	County Levy	JVS Levy	City Levy	Total Direct and Overlapping Governments
2.80	15.58	2.45	8.02	97.92
2.80	15.08	2.45	8.03	97.60
2.80	15.08	2.45	8.04	97.78
2.80	15.58	2.45	8.08	101.19
2.80	15.08	2.45	8.08	100.82
2.80	15.08	2.45	8.10	101.12
2.80	14.49	2.45	8.12	102.43
2.80	14.48	2.45	8.13	102.96
2.80	13.66	2.45	8.13	94.27
2.80	13.69	2.45	7.34	91.85

AVON LAKE CITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN YEARS

Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections (2)	Total Tax Collections (3)
2021	\$ 43,853,375	\$ 43,081,404	98.24%	\$ 919,434	\$ 44,000,838
2020	42,815,075	41,735,997	97.48%	383,158	42,119,155
2019	42,485,157	41,799,902	98.39%	530,181	42,330,083
2018	40,890,274	38,981,253	95.33%	603,341	39,584,594
2017	40,053,461	39,490,769	98.60%	788,154	40,278,923
2016	39,270,119	38,620,473	98.35%	711,613	39,332,086
2015	38,765,645	38,248,862	98.67%	969,829	39,218,691
2014	40,848,669	40,146,050	98.28%	839,757	40,985,807
2013	35,554,953	33,201,145	93.38%	659,679	33,860,824
2012	35,151,187	34,962,596	99.46%	688,241	35,650,837

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

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

(2) The Lorain County Auditor does not identify delinquent tax collections by levy year.

(3) The Lorain County Auditor does not identify delinquent tax collections by levy year, accordingly, total tax collections could exceed 100% of total tax levy.

Ratio of Total Tax Collections to Total Tax Levy (3)	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
100.34%	\$ 1,218,109	2.78%
98.37%	1,484,104	3.47%
99.63%	1,106,041	2.60%
96.81%	2,032,945	4.97%
100.56%	1,018,493	2.54%
100.16%	1,236,811	3.15%
101.17%	725,637	1.87%
100.34%	1,125,547	2.76%
95.24%	3,584,931	10.08%
101.42%	1,846,481	5.25%

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AVON LAKE CITY SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS –
 REAL ESTATE TAX
 AS OF JUNE 30, 2020 AND JUNE 30, 2011

December 31, 2020

Name of Taxpayer	Assessed Value (1)(2)	Percent of Total Assessed Value
Great Lake Senior Living Communities LLC	\$ 10,956,440	1.05%
Ford Motor Company	6,658,650	0.64%
181 Somerset Realty I LLC	5,804,930	0.56%
Learwood Square Company LLC	4,454,400	0.43%
Towne Care Center LLC	4,341,500	0.42%
Lumin Avon Lake LLC	3,985,570	0.38%
Noveon Inc	3,910,950	0.38%
PolyOne Corporation	3,680,930	0.35%
Avon Lake City of	3,489,030	0.34%
Hampshire Highlands One LLC	3,370,950	0.32%
Delaware Aqua LLC	2,996,910	0.29%
	<u>\$ 53,650,260</u>	<u>5.16%</u>
 Total assessed value	 <u>\$ 1,038,636,290</u>	

December 31, 2011

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Ford Motor Company	\$ 4,917,190	0.59%
Polyone Corporation	4,141,730	0.50%
Legacy Point Ltd.	3,612,470	0.44%
181 Somerset Realty	3,405,920	0.41%
Health Care Reit	2,937,060	0.35%
Kopf Properties II Ltd	2,156,460	0.26%
Learwood Square Co LLC	2,116,770	0.26%
Towne Independent Living	1,939,460	0.23%
Landings Shops & Offices Ltd	1,583,790	0.19%
Ronburgendy Ltd	1,426,250	0.17%
	<u>\$ 28,237,100</u>	<u>3.40%</u>
 Total assessed value	 <u>\$ 829,553,680</u>	

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) Assessed Values are for the 2019 and 2010 collection year, respectively.

AVON LAKE CITY SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS –
 PUBLIC UTILITY TAX
 AS OF JUNE 30, 2020 AND JUNE 30, 2011

December 31, 2020

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
American Transmission Systems INC	\$ 39,314,330	3.79%
NRG Power Midwest LP	19,769,450	1.90%
Cleveland Electric Illuminating Co	12,941,960	1.25%
Orion Power Midwest LP	7,575,690	0.73%
Columbia Gas of Ohio INC	3,691,640	0.36%
	<u>\$ 83,293,070</u>	<u>8.03%</u>
 Total assessed value	 <u>\$ 1,038,636,290</u>	

December 31, 2011

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Genon Power Midwest	\$ 36,538,600	4.40%
Orion Power Midwest	19,357,510	2.33%
Cleveland Electric	10,230,310	1.23%
American Transmission	6,888,270	0.83%
Columbia Gas of Ohio LLC	1,836,270	0.22%
	<u>\$ 74,850,960</u>	<u>9.01%</u>
 Total assessed value	 <u>\$ 829,553,680</u>	

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) Assessed Values are for the 2019 and 2010 collection year, respectively.

Assessed Values include public utilities and real estate values, details of which are not available.

AVON LAKE CITY SCHOOL DISTRICT
 COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT
 AS OF JUNE 30, 2020

Jurisdiction	General Obligation Debt Outstanding	Total Assessed Value	Percentage Applicable to School District (1)	Amount Applicable to School District
Direct				
Avon Lake City School District	\$ 27,482,224	\$ 1,038,636,290	100.00%	\$ 27,482,224
Overlapping				
Lorain County (2)	48,410,000	6,634,584,090	15.65%	7,576,165
City of Avon Lake (2)	<u>30,661,414</u>	1,038,636,290	100.00%	<u>30,661,414</u>
Sub Total				<u>38,237,579</u>
Total	<u>\$ 106,553,638</u>			<u>\$ 65,719,803</u>

Source: Lorain County Auditor - Total Assessed Value is presented on a calendar year basis (including School District's) because that is the manner in which the information is maintained by the County Auditor.

(1) - Percentages are computed 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.

(2) - Debt is as of December 31, 2019

AVON LAKE CITY SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Year	General Obligation Bonded Debt (1)	Notes Payable	Capital Leases (4)	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)	Per ADM (2)
2021	\$ 27,482,224	\$ -	\$ -	\$ 27,482,224	2.41%	\$ 1,090	\$ 7,370
2020	31,300,935	-	-	31,300,935	3.05%	1,386	8,300
2019	34,724,848	-	-	34,724,848	3.60%	1,538	9,001
2018	38,168,373	-	-	38,168,373	4.10%	1,690	9,958
2017	41,640,596	-	12,107	41,652,703	4.35%	1,845	10,935
2016	44,980,089	-	36,254	45,016,343	4.84%	1,994	11,818
2015 (5)	48,614,650	-	108,152	48,722,802	5.24%	2,158	12,798
2014	48,239,669	-	162,101	48,401,770	5.25%	2,143	12,959
2013	51,136,537	-	251,641	51,388,178	5.48%	2,276	13,624
2012 (4)	52,867,070	-	345,090	53,212,160	5.67%	2,357	13,981

Source:

(1) School District Financial Records

(2) See Schedule S-30 for personal income, population, and ADM data.

These ratios are calculated using data for the prior calendar year.

(3) Year 2011 has been restated to reflect the effects of a prior period adjustment recorded in 2012.

(4) Year 2012 has been restated to reflect the effects of a prior period adjustment in 2013.

(5) Year 2015 has been restated to include unamortized premiums.

AVON LAKE CITY SCHOOL DISTRICT
RATIOS OF GENERAL NET BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Year	General Obligation Bonded Debt (1)	Debt Service Funds Available	Net Bonded Debt	Percentage of Actual Taxable Property Value (2)	Per Capita (3)
2021	\$ 27,482,224	\$ 2,994,232	\$ 24,487,992	0.86%	\$ 972
2020	31,300,935	2,794,309	28,506,626	1.02%	1,262
2019	34,724,848	2,992,445	31,732,403	1.15%	1,405
2018	38,168,373	3,163,317	35,005,056	1.44%	1,550
2017	41,640,596	3,231,269	38,409,327	1.63%	1,701
2016	44,980,089	3,378,037	41,602,052	1.77%	1,842
2015 (4)	44,980,089	3,491,165	41,488,924	2.07%	1,837
2014	48,614,650	3,154,171	45,460,479	2.09%	2,013
2013	48,239,669	3,448,932	44,790,737	2.22%	1,984
2012	51,136,537	3,355,203	47,781,334	2.18%	2,116

Source: (1) School District Financial Records.

(2) See Schedule S-16 for assessed valuation of property.

(3) See Schedule S-30 for population data.

(4) Year 2015 has been restated to include unamortized premiums.

AVON LAKE CITY SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Assessed Valuation	\$ 1,038,636,290	\$ 1,014,574,310	\$ 1,002,320,500	\$ 882,382,760
Debt Limit -9% of Assessed Value (2)	93,477,266	91,311,688	90,208,845	79,414,448
Debt applicable to limitation				
Total voted general obligation debt	24,130,800	29,338,332	32,463,791	39,445,801
Total unvoted general obligation debt	-	-	-	-
Less amount available in debt service funds	(3,015,688)	(2,803,917)	(3,013,901)	(3,184,773)
Amount of debt subject to debt limit:	21,115,112	26,534,415	29,449,890	36,261,028
Overall debt margin	\$ 72,362,154	\$ 64,777,273	\$ 60,758,955	\$ 43,153,420
Legal Debt Margin as a Percentage of Debt Limit	77.41%	70.94%	67.35%	54.34%
Overall Limit - .10% of Assessed Value (1)	\$ 1,038,636	\$ 1,014,574	\$ 1,002,321	\$ 882,383
Amount of debt subject to debt limit:	-	-	-	-
Unvoted Debt Margin	\$ 1,038,636	\$ 1,014,574	\$ 1,002,321	\$ 882,383
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Bonds and Notes:				
Debt Limit - .9% of Assessed Value	\$ 9,347,727	\$ 9,131,169	\$ 9,020,885	\$ 7,941,445
Amount of debt subject to debt limit:	-	-	-	-
Additional Unvoted Debt Margin	\$ 9,347,727	\$ 9,131,169	\$ 9,020,885	\$ 7,941,445
Energy Conservation Debt - Additional Unvoted Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Lorain County Auditor and School District Financial Records.

(1) Ohio Bond Law established a limit of 9% for voted debt and 1/10 of 1% of unvoted debt.

2017	2016	2015	2014	2013	2012
<u>\$ 866,801,580</u>	<u>\$ 849,549,850</u>	<u>\$ 787,761,430</u>	<u>\$ 777,469,000</u>	<u>\$ 785,299,050</u>	<u>\$ 829,553,680</u>
<u>78,012,142</u>	<u>76,459,487</u>	<u>70,898,529</u>	<u>69,972,210</u>	<u>70,676,915</u>	<u>74,659,831</u>
44,390,801	44,390,801	46,830,800	48,210,866	49,810,207	50,545,816
-	-	-	-	-	-
(3,231,269)	(3,378,037)	(3,491,165)	(3,154,172)	(3,448,932)	(3,355,203)
<u>41,159,532</u>	<u>41,012,764</u>	<u>43,339,635</u>	<u>45,056,694</u>	<u>46,361,275</u>	<u>47,190,613</u>
<u>\$ 36,852,610</u>	<u>\$ 35,446,723</u>	<u>\$ 27,558,894</u>	<u>\$ 24,915,516</u>	<u>\$ 24,315,640</u>	<u>\$ 27,469,218</u>
<u>47.24%</u>	<u>46.36%</u>	<u>38.87%</u>	<u>35.61%</u>	<u>34.40%</u>	<u>36.79%</u>
\$ 866,802	\$ 849,550	\$ 787,761	\$ 777,469	\$ 785,299	\$ 829,554
-	-	-	-	-	-
<u>\$ 866,802</u>	<u>\$ 849,550</u>	<u>\$ 787,761</u>	<u>\$ 777,469</u>	<u>\$ 785,299</u>	<u>\$ 829,554</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
\$ 7,801,214	\$ 7,645,949	\$ 7,089,853	\$ 6,997,221	\$ 7,067,691	\$ 7,465,983
-	-	-	-	-	-
<u>\$ 7,801,214</u>	<u>\$ 7,645,949</u>	<u>\$ 7,089,853</u>	<u>\$ 6,997,221</u>	<u>\$ 7,067,691</u>	<u>\$ 7,465,983</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

AVON LAKE CITY SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Calendar Year	Population	Per Capita Income	Personal Income	Average Daily Student Enrollment (2)	Unemployment Rate (3)		
					Lorain County	Ohio	U.S.
2021	25,206 (1)	\$ 45,318	\$1,142,285,508	3,729	5.9%	5.1%	5.2%
2020	22,581 (1)	45,501	1,027,458,081	3,771	13.7%	10.9%	11.1%
2019	22,581 (1)	42,683	963,824,823	3,858	4.9%	4.2%	3.7%
2018	22,581 (1)	41,668	940,905,108	3,833	6.4%	4.1%	4.0%
2017	22,581 (1)	42,366	956,666,646	3,809	6.8%	5.4%	4.4%
2016	22,581 (1)	41,195	930,224,295	3,807	6.0%	4.9%	4.9%
2015	22,581 (1)	40,049	904,346,469	3,735	6.9%	5.2%	5.3%
2014	22,581 (1)	40,858	922,614,498	3,772	6.6%	5.9%	6.1%
2013	22,581 (1)	41,559	938,443,779	3,806	8.3%	7.3%	7.6%
2012	22,581 (1)	40,269	909,314,289	3,835	8.3%	7.7%	8.2%

Source:

(1) Based on the 2010 Census.

(2) Average Daily Student Enrollment is compiled as of the first week in October reported to the Ohio Department of Education for the fiscal year.

(3) Bureau of Labor Statistics.

AVON LAKE CITY SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 AS OF JUNE 30, 2020 AND 2011

December 31, 2020

Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percentage To Total Employment	Rank
Ford Motor Company	Van and truck assembly	2,107	Not available	1
Avient Corporation	Distributor of thermoplastics, compounds & resins	2,047	Not available	2
Materials/Neveon	Manufactures polymers & specialties chemicals	1,731	Not available	3
Avon Lake City Schools	Public Education	705	Not available	4
Grace Management Services Inc.	Retirement Village	427	Not available	5
Minute Men Select	Human Resource service provider	408	Not available	6
City of Avon Lake	Government	314	Not available	7
Riser Foods	Grocery Store	274	Not available	8
Discount Drug Mart	Retail	242	Not available	9
Hinkley Lighting Inc.	Lighting Manufacturer and Distributer	141	Not available	10

December 31, 2011

Employer	Nature of Activity or Business	Approximate Number of Employees (1)	Percentage To Total Employment	Rank
Ford Motor Company	Van and sport utility vehicle assembly	2,147	Not available	1
Avon Lake City School District	Public Education	821	Not available	2
PolyOne Corporation	Distributor of thermoplastics, compounds & resins	656	Not available	3
City of Avon Lake	Government	379	Not available	4
Materials/Neveon	Manufactures polymers & specialties chemicals	210	Not available	5
Giant Eagle/Riser Foods Company	Grocery Store	198	Not available	6
Grace Management	Retirement Village	177	Not available	7
Wateredge Uniflex Inc	Draw ing & Insulating of non-ferrous wire	132	Not available	8
Avon Lake Animal Clinic Inc	Veterinary clinic	130	Not available	9
Western/Scott Fetzer Company	Gas control technology	128	Not available	10

Sources: The City of Avon Lake in cooperation w ith the Regional Income Tax Agency and School District Records.

(1) Number of employees is based on forms W-2 filed w ith the Regional Income Tax Agency and include seasonal and part-time employees.

(2) Data to compute the percentage of total employment that each listed employer represents is not available.

AVON LAKE CITY SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020(4,5)</u>	<u>2019</u>	<u>2018 (2,3)</u>
Professional Staff				
<u>Teaching Staff:</u>				
Elementary K-6	119.57	109.89	108.89	109.79
Middle	38.11	37.00	37.50	39.31
High	64.98	61.60	61.21	61.09
Mutiple Buidings	12.50	12.61	10.61	10.60
Tutors	15.39	17.31	18.31	19.30
<u>Administrators</u>				
District/Building	21.50	19.00	15.50	15.80
<u>Auxiliary Positions</u>				
Psychologist	2.12	2.00	2.00	2.00
Nurse	4.00	4.00	5.00	4.00
Speech & Language Therapist	2.03	2.03	1.94	1.93
Physical Therapist	1.00	1.00	1.00	1.00
Occupational Therapist/Assistant	1.00	2.00	2.00	2.00
<u>Support Staff</u>				
Counseling	8.82	8.62	7.83	7.78
Computer Tech	4.00	3.00	3.00	3.00
Printer	1.00	1.00	1.00	1.00
Librarian/Media	2.00	2.00	2.00	2.00
Library Aide	8.00	9.00	9.96	9.00
Clerical	28.71	29.71	29.57	29.21
Teaching Aide	43.00	45.04	46.09	46.79
Maintenance Supervisor	1.00	1.00		
General Maintenance	4.00	4.00	5.00	5.00
Mechanic	2.00	2.00	2.00	2.00
Transportation Supervisor	1.00	1.00	1.00	1.00
Bus Drivers	28.32	28.70	28.76	29.54
Custodial	28.38	28.94	29.32	28.88
Food Service	22.10	22.90	23.76	23.16
Security	1.00	1.00	1.00	1.00
Groundskeeping	2.00	2.00	2.00	2
TV Production	1.00	1.00	1.00	1
Attendants & Monitors	39.90	44.52	45.47	45.60
Total	<u>508.43</u>	<u>503.87</u>	<u>502.72</u>	<u>504.78</u>

Source: School District records.

- (1) Reporting methodology changed due to new softw are integration in Fiscal Year 2012
- (2) Groundskeeping staff added , TV Production category added
- (3) FTE calculations were revised per ODE EMIS Guidelines
- (4) Maintenance Supervisor category added
- (5)Technology, Pupil Services, Food Service added to Administrators

<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013 (1)</u>	<u>2012 (1)</u>
110.90	105.75	105	106	107	107
37.50	38.50	35	37	37	36
57.51	58.50	56	59	65	67
6.00	13.00	13	11	12	10.42
15.69	14.02	18	10	10	7
14.14	14.00	14	14	14	14
2.00	2.00	1	1	1	1
4.00	5.00	5	5	4	4
4.62	4.32	3	3	3	3
1.00	1.00	1	1	1	1
2.00	2.00	2	2	2	2
7.50	8.70	8	8	8	8
3.00	4.00	3	3	3	3
1.00	1.00	1	1	1	1
2.00	2.00	2	2	3	3
7.63	6.63	8	6	6	5
25.65	26.05	26	27	28	29
49.11	44.17	41	42	44	44
5.00	5.00	5	6	6	6
2.00	2.00	2	2	2	2
1.00	1.00	1	1	1	1
23.45	24.65	26	24	24	21
29.62	28.25	29	30	30	29
18.27	18.12	19	19	18	17
1.00	1.13	1	1	2	1
-	-	-	-	-	-
-	-	-	-	-	-
<u>20.43</u>	<u>22.48</u>	<u>22.03</u>	<u>22.16</u>	<u>22.71</u>	<u>21.05</u>
<u>452.02</u>	<u>453.27</u>	<u>447.53</u>	<u>444.46</u>	<u>454.93</u>	<u>444.06</u>

AVON LAKE CITY SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Year	Average Daily Student Enrollment (a)	General Fund Expenditures	Cost Per Pupil (b)	Percent Change	Teaching Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2021	3,729	\$ 45,247,490	\$ 12,134	6.10%	267	13.97	20.42%
2020	3,771	43,123,675	11,436	2.86%	225	16.76	20.42%
2019	3,858	42,895,098	11,118	3.46%	223	17.30	17.00%
2018	3,833	41,188,686	10,746	1.91%	225	17.04	18.00%
2017	3,809	40,164,098	10,545	5.27%	228	16.71	20.00%
2016	3,807	38,134,195	10,017	-0.25%	225	16.92	19.00%
2015	3,735	37,506,457	10,042	5.09%	239	15.63	18.00%
2014	3,772	36,046,397	9,556	-6.60%	226	16.69	18.00%
2013	3,806	38,940,060	10,231	-5.77%	232	16.41	19.00%
2012	3,835	38,625,770	10,858	-0.42%	239	15.56	19.00%

Source: School District Financial Records.

(a) Ohio Department of Education - EFM Expenditure per Pupil Report.

(b) Cost per pupil for 2013 and later is calculated based on General Fund Expenditures divided by average daily enrollment. Cost per pupil for years 2012 and earlier was provided by the Ohio Department of Education.

AVON LAKE CITY SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS

Year	Minimum Salary (a)	Maximum Salary (a)	Avon Lake Average Salary (b)
2021	39,809	\$ 88,775	\$ 67,585
2020	39,415	87,896	70,565
2019	39,415	87,896	71,739
2018	39,219	87,459	68,228
2017	38,735	85,604	64,427
2016	37,790	83,516	61,856
2015	(c) 36,779	81,282	n/a (d)
2014	(c) 36,779	81,282	63,195
2013	(c) 36,779	81,282	64,756
2012	(c) 36,779	81,282	62,969

Sources:

(a) District salary schedules

(b) Ohio Department of Education (ODE)

(c) Various wage and/or step increases were frozen

(d) Not supplied on ODE website as of the date of this report.

AVON LAKE CITY SCHOOL DISTRICT
TEACHER EDUCATION AND EXPERIENCE
JUNE 30, 2021

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	21	8.8%
Bachelor + 10	7	2.9%
Bachelor + 20	11	4.6%
Master's Degree	39	16.4%
Master's + 10	44	18.5%
Master's + 20	38	16.0%
Master's + 30	37	15.5%
Master's + 45	41	17.2%
	<u>238</u>	<u>100.0%</u>

Experience	Number of Teachers	Percentage of Total
0 - 5	39	16.4%
6-10	46	19.3%
11 and over	153	64.3%
	<u>238</u>	<u>100.0%</u>

Source: School District records.

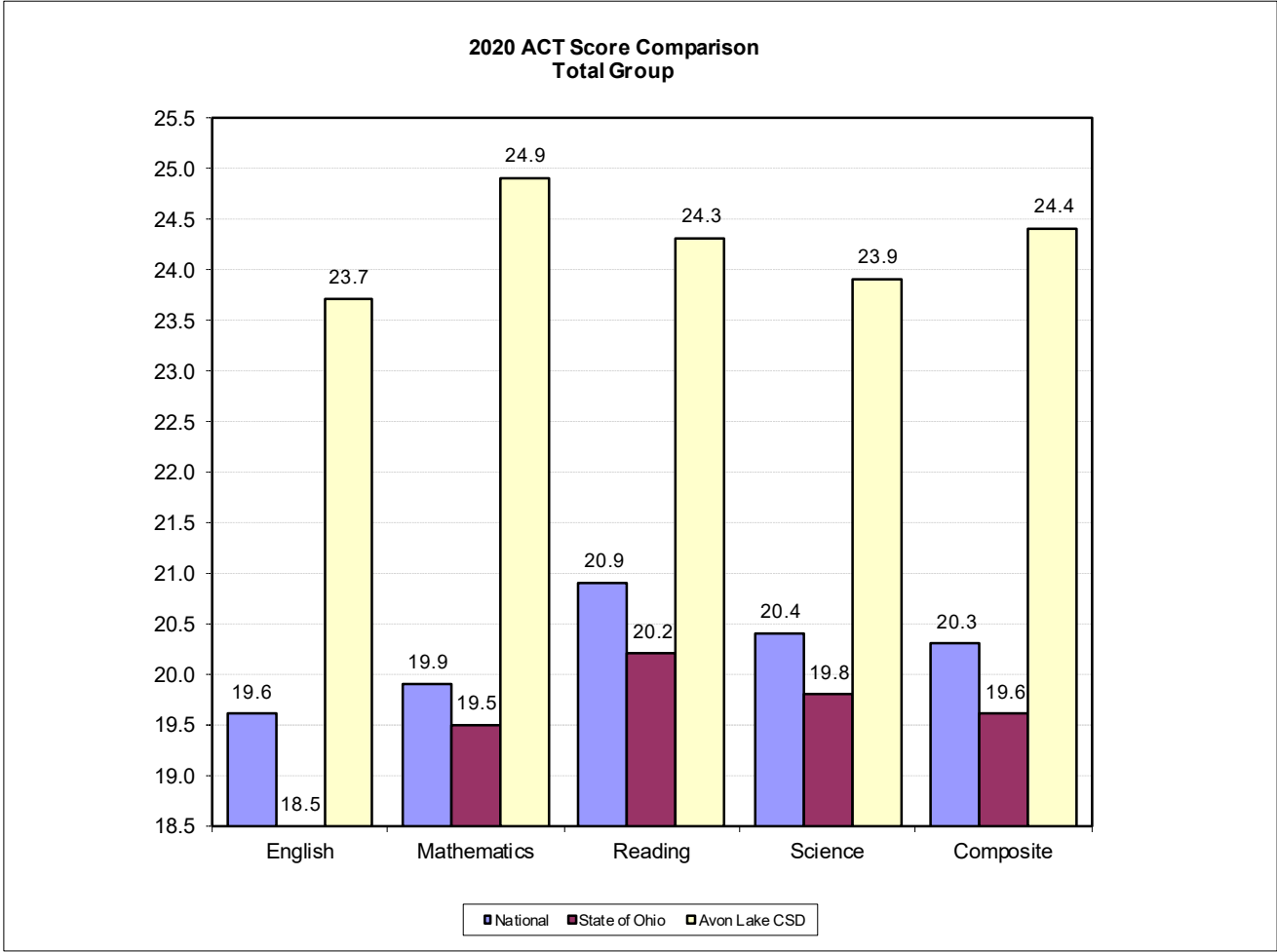
AVON LAKE CITY SCHOOL DISTRICT
 AVERAGE ACT SCORES
 LAST TEN FISCAL YEARS

English:	Avon Lake	State of Ohio	National	Science:	Avon Lake	State of Ohio	National
2020 - 2021	23.7	18.5	19.6	2020 - 2021	23.9	19.8	20.4
2019 - 2020	24.8	18.8	19.9	2019 - 2020	24.9	20.0	20.6
2018 - 2019	25.5	19.0	20.1	2018 - 2019	25.3	20.1	20.6
2017 - 2018	24.4	19.3	20.2	2017 - 2018	24.3	20.4	20.7
2016 - 2017	24.6	21.2	20.3	2016 - 2017	25.3	22.0	21.0
2015 - 2016	24.4	21.2	20.1	2015 - 2016	24.9	22.0	20.8
2014 - 2015	24.1	21.4	20.4	2014 - 2015	24.4	22.0	20.9
2013 - 2014	24.0	21.4	20.3	2013 - 2014	24.7	22.0	20.8
2012 - 2013	25.0	21.2	20.2	2012 - 2013	24.6	21.8	20.7
2011 - 2012	22.9	21.1	20.5	2011 - 2012	23.9	21.8	20.9

Math:	Avon Lake	State of Ohio	National	Composite:	Avon Lake	State of Ohio	National
2020 - 2021	24.9	19.5	19.9	2020 - 2021	24.4	19.6	20.3
2019 - 2020	25.7	19.8	20.2	2019 - 2020	25.3	19.9	20.6
2018 - 2019	25.9	19.9	20.4	2018 - 2019	25.8	20.0	20.7
2017 - 2018	24.8	20.3	20.5	2017 - 2018	24.8	20.3	20.8
2016 - 2017	25.3	21.6	20.7	2016 - 2017	25.2	22.0	21.0
2015 - 2016	25.0	21.6	20.6	2015 - 2016	25.0	22.0	20.8
2014 - 2015	24.6	21.7	20.8	2014 - 2015	24.6	22.0	21.0
2013 - 2014	25.0	21.7	20.9	2013 - 2014	24.8	22.0	21.0
2012 - 2013	25.1	21.5	20.9	2012 - 2013	25.0	21.8	20.9
2011 - 2012	24.3	21.5	21.1	2011 - 2012	23.8	21.8	21.1

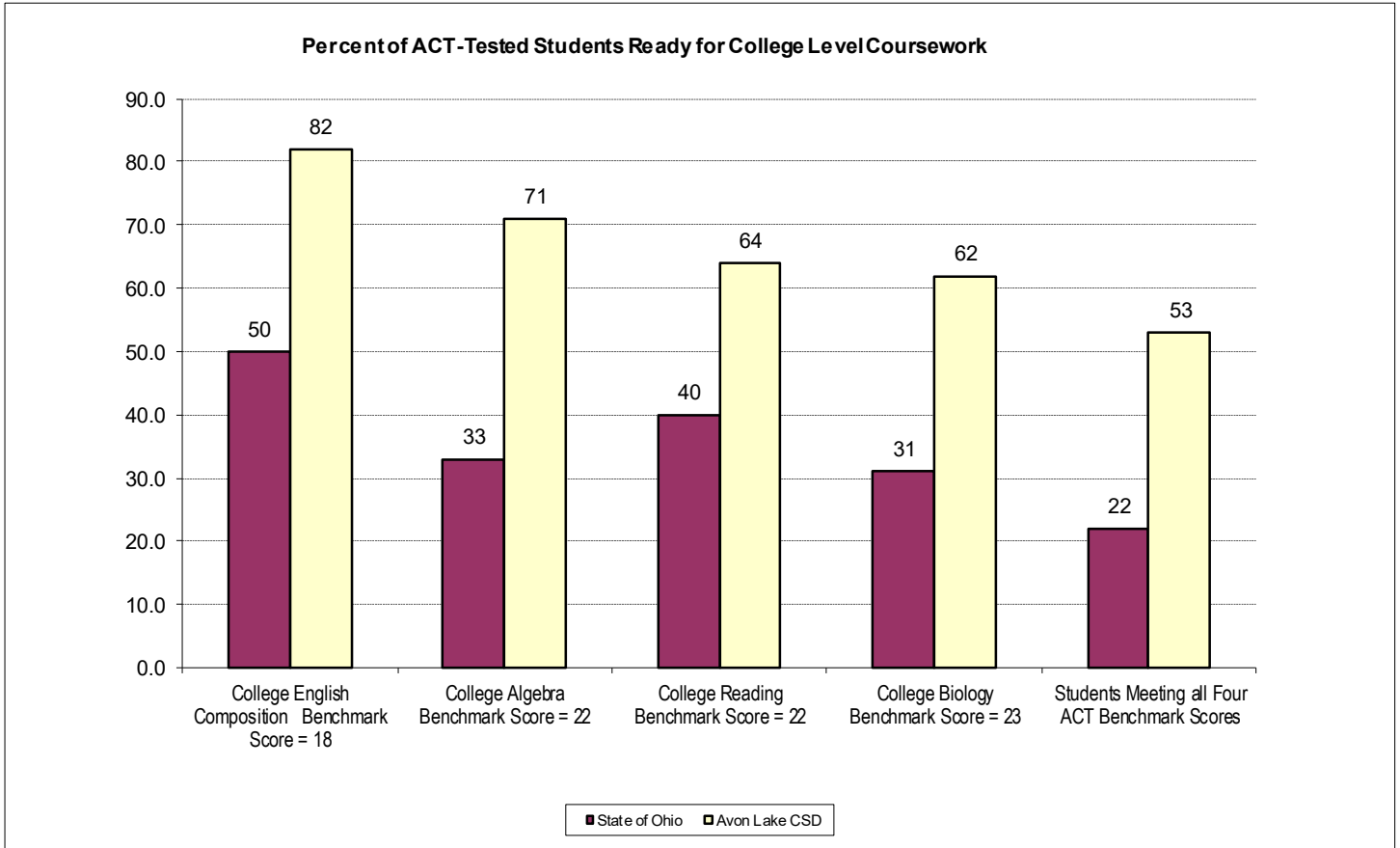
Reading:	Avon Lake	State of Ohio	National
2020 - 2021	24.3	20.2	20.9
2019 - 2020	25.1	20.4	21.2
2018 - 2019	25.8	20.5	21.2
2017 - 2018	25.3	20.8	21.3
2016 - 2017	25.0	22.5	21.4
2015 - 2016	23.4	22.1	21.3
2014 - 2015	24.8	22.5	21.4
2013 - 2014	24.7	22.4	21.3
2012 - 2013	25.1	22.2	21.1
2011 - 2012	23.4	22.1	21.3
2010 - 2011	24.1	22.1	21.3

AVON LAKE CITY SCHOOL DISTRICT
2020 ACT SCORE COMPARISON
JUNE 30, 2021



Source: American College Testing Program

AVON LAKE CITY SCHOOL DISTRICT
 PERCENT OF ACT TESTED STUDENTS READY FOR COLLEGE LEVEL COURSEWORK
 JUNE 30, 2021



Source: American College Testing Program

AVON LAKE CITY SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Elementary Schools				
Eastview (1950)				
Square feet	42,048	42,048	42,048	42,048
Enrollment	407	422	431	413
Erievew (1950)				
Square feet	34,593	34,593	34,593	34,593
Enrollment	289	293	280	278
Redw ood (1962)				
Square feet	58,780	58,780	58,780	58,780
Enrollment	430	441	427	440
Troy (1970)				
Square feet	85,150	85,150	85,150	85,150
Enrollment	529	540	604	607
Westview (1957)				
Square feet	41,961	41,961	41,961	41,961
Enrollment	257	240	225	220
Middle School				
Learw ood (1959)				
Square feet	110,911	110,911	110,911	110,911
Enrollment	607	615	621	648
High School				
Avon Lake High (1927)				
Square feet	314,612	314,612	314,612	314,612
Enrollment	1,210	1,220	1,270	1,227

Source: District records.

2017	2016	2015	2014	2013	2012
42,048	42,048	42,048	42,048	42,048	42,048
436	418	429	448	428	408
34,593	34,593	34,593	34,593	34,593	34,593
280	291	273	288	288	289
58,780	58,780	58,780	58,780	58,780	58,780
438	453	455	462	460	484
85,150	85,150	85,150	85,150	86,150	86,150
595	617	608	615	601	590
41,961	41,961	41,961	41,961	41,961	41,961
216	235	211	226	261	272
110,911	110,911	110,911	110,911	110,911	110,911
616	627	613	573	605	582
314,612	314,612	314,612	314,612	314,612	314,612
1,228	1,166	1,148	1,171	1,178	1,210

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OHIO AUDITOR OF STATE KEITH FABER



AVON LAKE CITY SCHOOL DISTRICT

LORAIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/18/2022

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

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