



OHIO AUDITOR OF STATE  
**KEITH FABER**





**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY

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

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal AL Number	Total Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
<i>Passed Through Ohio Department of Education:</i>		
<u>Child Nutrition Cluster:</u>		
School Breakfast Program	10.553	\$ 394,347
COVID-19 School Breakfast Program		157,533
Total - School Breakfast Program		<u>551,880</u>
National School Lunch Program	10.555	701,092
COVID-19 National School Lunch Program		259,028
National School Lunch Program - Non-Cash Assistance		132,693
Total - National School Lunch Program		<u>1,092,813</u>
Summer Food Service Program for Children	10.559	141,388
Total U.S. Department of Agriculture/Child Nutrition Cluster		<u><b>1,786,081</b></u>
<b>U.S. DEPARTMENT OF DEFENSE</b>		
<i>Direct Program:</i>		
Junior ROTC	12.000	66,237
Total U.S. Department of Defense		<u><b>66,237</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b>		
<i>Passed Through Ohio Department of Education:</i>		
<u>Special Education Cluster:</u>		
Special Education Grants to States	84.027	29,390
		1,472,879
		320,259
Total - Special Education Grants to States		<u>1,822,528</u>
Special Education Preschool Grants	84.173	4,946
		15,333
Total - Special Education Preschool Grants		<u>20,279</u>
Total - Special Education Cluster		<u>1,842,807</u>
Title I Grant to Local Educational Agencies	84.010	391,954
		2,167,679
Total - Title I Grants to Local Educational Agencies		<u>2,559,633</u>
Supporting Effective Instruction State Grant	84.367	56,617
		187,827
Total - Supporting Effective Instruction State Grant		<u>244,444</u>
Student Support and Academic Enrichment Title IV-A	84.424	14,850
		72,589
Total - Student Support and Academic Enrichment Title IV-A		<u>87,439</u>
<u>Education Stabilization Fund:</u>		
COVID-19 - Elementary and Secondary School Emergency Relief Fund I	84.425D	758,457
		1,397,014
COVID-19 - Elementary and Secondary School Emergency Relief Fund I		<u>2,155,471</u>
COVID-19 - Elementary and Secondary School Emergency Relief Fund I	84.425D	408,354
Total - COVID-19 - Education Stabilization Fund		<u>2,563,825</u>
Total U.S. Department of Education		<u><b>7,298,148</b></u>
<b>U.S. DEPARTMENT OF TREASURY</b>		
<i>Passed Through Ohio Department of Education:</i>		
Coronavirus Relief Fund	21.019	304,212
Total U.S. Department of Treasury		<u><b>304,212</b></u>
<b>Total Expenditures of Federal Awards</b>		<u><b>\$ 9,454,678</b></u>

The accompanying notes are an integral part of this schedule.

**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Euclid City School District, Cuyahoga County, Ohio (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 fair value. The District allocated donated food commodities to the respective program that benefited from the use of those donated food commodities.



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

Euclid City School District  
Cuyahoga County  
22800 Fox Avenue  
Euclid, Ohio 44123

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Euclid City School District, Cuyahoga 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 and have issued our report thereon dated February 28, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District. We also noted the Other Governmental Funds' July 1, 2020 fund balance was restated.

***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 we consider material weaknesses. However, unidentified material weakness 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

February 28, 2022



# OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215  
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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Euclid City School District  
Cuyahoga County  
22800 Fox Avenue  
Euclid, Ohio 44123

To the Board of Education:

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

We have audited Euclid 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 Euclid City School District's major federal programs 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 programs.

### ***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 programs 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 each of the District's major programs. However, our audit does not provide a legal determination of the District's compliance.

***Basis for Qualified Opinion on Education Stabilization Fund***

As described in finding 2021-001 in the accompanying schedule of findings, the District did not comply with requirements regarding *Special Tests and Provisions – Wage Rate Requirements* applicable to its AL #84.425 Education Stabilization Fund major federal program. Compliance with this requirement is necessary, in our opinion, for the District to comply with requirements applicable to this program.

***Qualified Opinion on Education Stabilization Fund***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on Education Stabilization Fund* paragraph, Euclid City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its Education Stabilization Fund for the year ended June 30, 2021.

***Unmodified Opinion on the Other Major Federal Program***

In our opinion, Euclid City School District complied in all material respects with the requirements referred to above that could directly and materially affect its other major federal program identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings for the year ended June 30, 2021.

***Other Matters***

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

***Report on Internal Control Over Compliance***

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program 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. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness, described in the accompanying schedule of findings as items 2021-001.

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

This report only describes the scope of our internal control over compliance 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, the business-type activities, each major fund and the aggregate remaining fund information of Euclid 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 February 28, 2022, 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

February 28, 2022

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**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
--

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	<u>Child Nutrition Cluster:</u> Unmodified  <u>Education Stabilization Fund:</u> Qualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<ul style="list-style-type: none"> <li>➤ Child Nutrition Cluster, AL 10.553, 10.555 and 10.559;</li> <li>➤ COVID-19 Education Stabilization Fund, AL 84.425</li> </ul>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	No

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

**FINDING NUMBER 2021-001**

**Prevailing Wage Rate Requirements**

<b>Finding Number:</b>	<b>2021-001</b>
<b>AL Number and Title:</b>	<b>AL#84.425 – COVID-19 Education Stabilization Fund</b>
<b>Federal Award Identification Number / Year:</b>	<b>2021</b>
<b>Federal Agency:</b>	<b>U.S. Department of Education</b>
<b>Compliance Requirement:</b>	<b>Special Tests and Provisions – Wage Rate Requirements</b>
<b>Pass-Through Entity:</b>	<b>Ohio Department of Education</b>
<b>Repeat Finding from Prior Audit?</b>	<b>No</b>

**Material Weakness and Noncompliance**

**2 CFR § 3474.1** gives regulatory effect to the Office of Management and Budget guidance and supplements the guidance as needed for the Department of Education, which adopts the OMB Guidance in 2 CFR Part 200. Appendix II to 2 CFR § 200 Paragraph D states, when required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

**FINDING NUMBER 2021-001 – (Continued)**

**2 CFR - § 176.190** indicates, when issuing announcements or requesting applications for Recovery Act programs or activities that may involve construction, alteration, maintenance, or repair the agency shall use the award term described in the following paragraphs: **(a) Section 1606 of the Recovery Act** requires that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government pursuant to the Recovery Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Lack of proper internal controls over Federal Grants management led to the District expending \$152,671 of its Education Stabilization Fund (ESSER I) federal grant funds for the installation of air purifier systems and HVAC upgrades to all District buildings. The District's contract with a local HVAC vendor for these updates did not include a provision to ensure the contractor complied with Federal wage rate requirements. Additionally, the District could not provide support that weekly certified payroll were provided by the contractor.

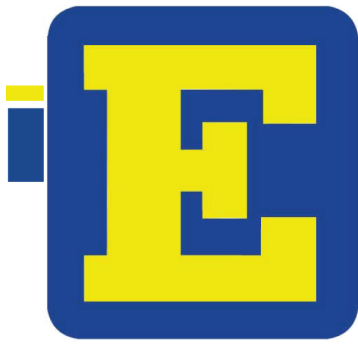
Failure to notify contractors of the wage rate requirements may result in noncompliance with the prevailing wage requirements as well as potentially reduced future federal funding.

The District should ensure contracts for construction in excess of \$2,000 contain a provision the contractor comply with the Wage Rate Requirements and ensure certified payroll reports are provided weekly by the contractor. The District should obtain the necessary information from the contractor to document compliance with the program requirements and if the contractor failed to comply then they have an obligation under 29 CFR Part 5 to report all suspected or reported violations to the Federal awarding agency. The District should also ensure all equipment is maintained in compliance with 2 CFR § 200.313(d) requirements.

**Officials' Response:** See Corrective Action Plan.

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Euclid City Schools

22800 Fox Avenue, Euclid, Ohio 44123

**EUCLID CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**CORRECTIVE ACTION PLAN  
2 CFR § 176.190  
JUNE 30, 2021**

<b>Finding Number</b>	<b>Planned Corrective Action</b>	<b>Anticipated Completion Date</b>	<b>Responsible Contact Person</b>
2021-001	Efforts are being undertaken and almost completed to correct the identified noncompliance issue. A summary of those efforts is forthcoming. Furthermore, moving forward, the Treasurer will ensure proper wage rate requirements and certified payroll reports are submitted prior to any payments made to the responsible contractor.	March 2022	Steve Vasek, Treasurer



2021

EUCLID CITY SCHOOL DISTRICT,  
CUYAHOGA COUNTY, OHIO

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

JAMES G. ZUPKA, CPA, INC.  
5240 EAST 98<sup>TH</sup> STREET  
GARFIELD HEIGHTS, OH 44125





# **EUCLID CITY SCHOOL DISTRICT**

Euclid, Ohio



## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

Prepared by:

Treasurer's Office

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# INTRODUCTORY SECTION





**Euclid City School District**

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

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*Annual Comprehensive Financial Report  
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**Euclid City School District**

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February 28, 2022

Members of the Board of Education and  
Residents of the Euclid City School District

Dear Board Members and Residents:

We are pleased to submit to you the Annual Comprehensive Financial Report of the Euclid City School District, Ohio. This Annual Comprehensive Financial Report, which includes an unmodified (“clean”) opinion from the Auditor of the State of Ohio conforms to generally accepted accounting principles as applicable to governmental entities for the fiscal year ended June 30, 2021.

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

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

### **Profile of the School District**

Euclid was officially settled in 1797 by eleven families. In 1830, the village meeting minutes indicated that a sum of \$300 was to be paid to the directors of the Euclid City School District. In 1868, a class of six high school pupils was organized. In 1895, the first high school building was erected. The first class graduated from that building in 1897. By 1896, the Euclid City School District was patterned after a School District plan dividing the City into eleven districts. The eleven districts were consolidated into five buildings. At the close of 1918, there were two high schools, Central and Shore.

During the peak enrollment years of the 1960’s and 1970’s, the School District maintained an enrollment of approximately 11,000 students, precipitating the need for additional buildings to be constructed. As enrollment declined during the 1980’s by approximately 5,000 students, three elementary buildings and one junior high building were closed. Subsequent to that, the State of Ohio greatly expanded the Community School Program and the School Voucher Program which resulted in a decline in enrollment for the School District. For fiscal year 2021, the School District’s enrollment stands at 4,682 while approximately 3,127 resident students either attend another public school district through open enrollment, community schools, participate in the Ohio Autism/Jon Peterson special needs scholarship, or use a state issued voucher to attend private/parochial schools. The School District currently consists of one high school, one middle school, four elementary schools, and an early learning village.

In, 2009, a \$40.3 million bond issue was approved by the voters to build four new elementary schools (replacing six elementary buildings). The School District received a 41 percent match from the State's Ohio Schools Facilities Commission. Those new buildings opened in the fall of 2012. This was the first of two segments of a plan to rebuild the entire School District. In 2016, a \$96.3 million bond issue was passed to complete the second phase, which will include the rebuilding of the High School, a construction of a new middle school, a new preschool/kindergarten building and new athletic fields. Again, the State is providing a 41 percent match to complete this second phase.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services authorized and mandated by State and/or Federal agencies.

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the School District (the primary government) and its potential component units. Excluded from the reporting entity because they are fiscally independent of the School District are the City of Euclid, the Parent Teacher Organizations, Community Schools and the Parochial Schools. The School District is associated with two organizations, the Ohio Schools Council and the Euclid Public Library. The Ohio Schools' Council Association is a jointly governed organization whose relationship to the School District is described in Note 19 to the accompanying financial statements. The Euclid Public Library is a related organization and is described in Note 20 to the accompanying financial statements.

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

The School District uses a team approach to meet today's educational challenges and to make school improvements a reality. This team consists of a five-member Board of Education which serves as the taxing authority, contracting body, and policy developers for the School District. The Board adopts the annual operating budget and approves all expenditures of the School District's monies. The administrative team consists of the Superintendent, who is the Chief Executive Officer of the School District and is responsible for providing educational and administrative management leadership for the total operation of the School District, and the Treasurer, who is the Chief Fiscal Officer of the School District and is responsible for maintaining records of all financial matters, issuing warrants and payment of liabilities incurred by the School District, and who also serves as the Chief Financial Officer of all School District funds and investments, as specified by law.

The remaining administrative team members appointed by the Superintendent/School Board include the following: Assistant Superintendent, Director of Business Operations, Director of Curriculum, Director of Student Services, Director of Data, Accountability and Testing, Director of Human Resources, and Directory of Information Technology. The above seven individuals, along with the Superintendent and the Treasurer, constitute the senior leadership team which meets to provide recommendations to the Superintendent and also provides problem-solving and policy implementing management to the School District.



## **Local Economy and Relevant Financial Policies**

The School District has the same boundaries as the City of Euclid. The City is bounded on the west by the City of Cleveland, on the north by Lake Erie, and on the south and east by smaller cities.

The City of Euclid has experienced a deterioration of its commercial property tax base in the past couple of decades. The School District's commercial and industrial real estate assessed valuation has decreased from \$191 million in tax year 1995 to \$178 million in tax year 2019. The total assessed valuation for all property was \$755 million in tax year 1995 compared to \$644 million in tax year 2019. The City of Euclid has enacted a number of programs, including tax incentive programs, to encourage business growth and development.

The City of Euclid was hit particularly hard during the recession of the late 2000's. The County's sexennial reappraisal in 2012 resulted in a loss of total assessed valuation from \$738 million in tax year 2011 to \$587 million in tax year 2012. After a long, slow recovery, the local real estate market and commercial development news has been encouraging. This was evident in the County's recent sexennial reappraisal in 2018 which reflected a 15.9 percent increase in assessed valuations over tax year 2017. This increase was one of the largest increases within Cuyahoga County. Additionally, Amazon completed the construction of a 650,000 square foot fulfillment center, which will provide over 1,500 new jobs to the City and add value to the City's commercial tax base.

Of the School District's General Fund budgetary operations, 46 percent of the General Fund cash basis revenue is received from property taxes on residential, commercial, and industrial properties. Shared City income tax accounted for 10 percent. Approximately 36 percent is received from various forms of State aid. The balance represented Federal sources, tuition, interest earnings and miscellaneous receipts.

The State of Ohio's community school and voucher programs have had a negative effect on the School District's state revenues. Students who transfer to community schools or receive vouchers to attend private/parochial schools essentially take their state per pupil funding along with them to those schools. In fiscal year 2021, approximately \$19.8 million was deducted from the School District's State revenue for those programs.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920 which mandates that any reappraisal property increase results in an approximately equal value decrease in millage. As a result, school districts throughout Ohio must place operating funding issues on the ballot at regular intervals to keep pace with inflation and added programming.

The State of Ohio adopted its 2019/20-2020/21 biennial budget in the summer of 2019. This budget, House Bill 166, froze funding levels at the previous funded amounts. The Governor and State Legislature did budget for a new funding stream to school districts called the Student Wellness and Success Funds. These funds were budgeted at the State level to provide financial assistance to school districts for social and emotional purposes impacting students. These new funds are specifically restricted for social and emotional programs and services and are reported in the newly created Student Wellness and Success Fund, which is being reported as a special revenue fund.

Other than the previously mentioned community school and voucher programs, another significant factor that is affecting Euclid City School is a “cap” on state funding. As a capped district, the Euclid City Schools only receive a portion of the full state funding calculated by the Ohio Department of Education. This means that Euclid City Schools receive about 74 percent of the calculated full state funding amount. Measures are currently in the works at the State legislature level to provide a fix for the State’s school funding issues that have been continuously ruled as unconstitutional by the State’s Supreme Court.

## **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 an automated accounting and payroll system as designed by third party vendors. An internal controls system for capital assets is provided by an outside company. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

Prior to the start of each fiscal year, the Board of Education adopts an appropriation measure for that fiscal year. The Board has the ability to adopt temporary appropriations prior to September 30<sup>th</sup>, if permanent appropriations are not yet available. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Fiscal Officer of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission’s official estimate of resources. The County’s Fiscal Officer certifies 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 (See Note 2 for additional budgetary information).

### **Long-Term Financial Planning**

The School District is the only school district in the State of Ohio with an enacted shared City/School income tax. The shared City income tax, enacted in 1994, is 0.85 percent City voted income tax of which 0.47 percent was for the School District and 0.38 percent for the City. The School District and City continue to be partners in redeveloping various industrial sites in the City of Euclid that are currently vacant and/or under-utilized.

In 2004, a 2.5 mill continuing permanent improvement levy was passed by the voters. These funds were intended to be used for costs associated with a School District wide reorganization, which included the reopening of two elementary schools, and ongoing capital improvements.

In November 2008, a ten-year \$5.6 million emergency levy was approved by the voters of the School District. At that time, approximately 6.9 mills was assessed beginning with the 2008 tax year (2009 collection year) and end with the 2017 tax year (2018 collection year). The renewal of this levy in 2018 was vital to the ongoing financial stability of the School District and meet the continued funding challenges created by H.B. 920. This renewal levy attempt failed in November 2018 and the revenue generated by the original levy ceased to be collected beginning in calendar year 2019. The full impact of that revenue loss was felt in fiscal year 2020.

In November 2012, a ten-year \$5.4 million emergency levy was approved by the voters of the School District. At that time, approximately 9.0 mills was assessed beginning with the 2012 tax year (2013 collection year) and end with the 2021 tax year (2022 collection year). The School District's current and future financial health is linked to the continuation of this emergency levy.

In November 2020, a ten-year \$5.6 million emergency levy was approved by the voters of the School District. At that time, approximately 8.7 mills was assessed beginning with the 2020 tax year (2021 collection year) and end with the 2029 tax year (2030 collection year). This levy is essentially a replacement to the original emergency levy that was not renewed back in November 2018. As mentioned previously, the local community's share of the School District's operating revenue is approximately 45 percent.

The School District has a comprehensive technology plan for moving into the twenty-first century. The School District is well known for accomplishments in the area of integrating technology into the instructional process. Both students and staff are supported by trained personnel whose main focus is technology support.

The School District is in the midst of finalizing the second and final phase of completely rebuilding its facilities. This was made possible by entering into agreements with the Ohio Facilities Commission and passage of two bond issues previously mentioned. Any long-range planning for the foreseeable future for facilities will focus on maintenance only.

## **Major Initiatives**

In the fall of 2012, our School District established three clear, comprehensive goals that continue to guide our efforts:

1. Increase student achievement
2. Practice fiscal responsibility
3. Improve our credibility in the community

School District administrators craft all programs and initiatives within this framework and regularly report their specific efforts and progress.

In 2016-17, the Euclid City Schools achieved two milestones that will greatly shape the education we provide to our students for years to come. First, the voters of Euclid approved Issue 111 to fund a \$135 million construction project with three major foci:

- Conversion of the facility previously known as Forest Park Middle School to an Early Learning Village that became in the fall of 2019 the home for all School District Kindergarten and Pre-Kindergarten students.
- Construction of a secondary complex on the current Euclid High School campus. This complex will include a new middle school for all School District sixth through eighth grade students, renovations to the athletic and music wings of the current EHS, and construction of new classroom wings for ninth through twelfth grade students.
- Improvements to the School District’s athletic facilities directly behind Memorial Park and adjacent to our secondary campus in Memorial Park. These improvements include conversion of the current high school stadium into a smaller facility for middle school athletics, and the construction of a new varsity football stadium.

In order to help students and educators recover from the coronavirus pandemic academic and social-emotional learning loss, two major initiatives in curriculum and instruction have been prioritized: High quality, consistent teacher training/professional development and a district-wide process for the adoption of high-quality materials.

Classroom learning time has been maximized in grades 1-3 by dividing full classes into two groups for the ELA block daily in grades 1-3 and math grades 4 and 5. The disruption of learning in the formative years of literacy instruction and a large amount of learning loss for grades four and five in math, support the basis for the grade levels and area selected for the program. The model will also allow teachers to receive consistent on-the-job training and professional development and training without requiring substitute teachers. Teachers have attended monthly training sessions conducted by the district literacy specialist in early literacy with district-purchased resources and materials. District-wide consistent selection of high-quality materials for ELA, math, science and teacher training and administrative training will continue.

Training for social-emotional learning for all staff started in the summer of 2021 and will continue for the summer of 2022-23 for grades K-12 for all staff including administrators, teachers and support staff. The district has developed a district-wide curriculum adoption cycle process. The adoption process will include a district-wide materials review process with specific criteria including alignment to Ohio’s Standards, rigor, assessment, online components/online text and follows a district-wide pilot of the programs.

The Strategic Planning committee members continue to meet to monitor progress toward our goals and ensure the implementation of action steps.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Euclid City School District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the fourth year that the government has achieved this prestigious award since last receiving the award in fiscal year 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This 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 that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

The publication of this report maintains a high level of accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the entire Treasurer's Office and various administrators and employees of the School District. Assistance of the County Fiscal Officer's staff and other outside agencies made possible the fair presentation of the statistical data.

Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully submitted,



Stephen A. Vasek, Treasurer



Christopher Papouras, Superintendent

**PRINCIPAL OFFICIALS**

**JUNE 30, 2021**

**BOARD OF EDUCATION**

Mrs. Kathy DeAngelis	President
Mrs. Donna Sudar	Vice-President
Mrs. Pamela Turos	Member
Mrs. Selina Wright	Member
Ms. Gabrielle Kelly	Member

**SUPERINTENDENT**

Mr. Christopher Papouras

**TREASURER**

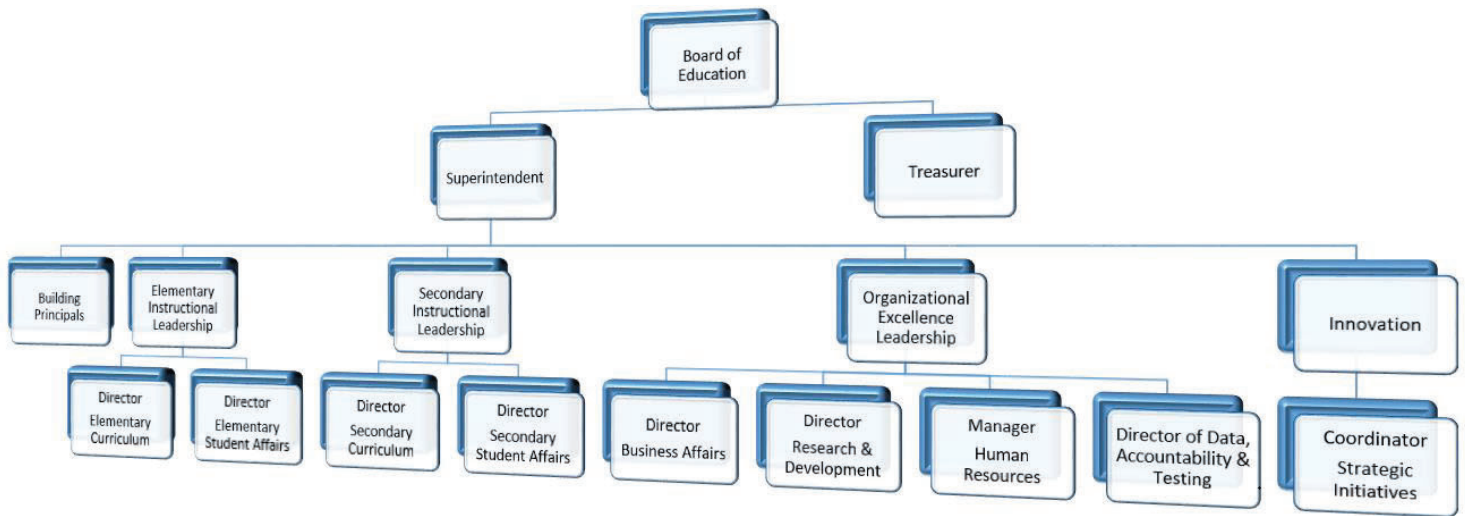
Mr. Stephen Vasek

**ADMINISTRATION**

Becky Mamich	Director of Curriculum
Becky Furbay	Director of Student Services
Patrick Higley	Director of Business Affairs
James Yane	Director of Research and Development
India Jackson	Manager of Human Resources
Karen Brown	Assistant Superintendent
Florence Masella	Director of Data, Accountability and Testing

# ORGANIZATIONAL CHART

JUNE 30, 2021





Government Finance Officers Association

Certificate of  
Achievement  
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in Financial  
Reporting

Presented to

**Euclid City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO



# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

Euclid City School District  
Cuyahoga County  
22800 Fox Avenue  
Euclid, Ohio 44123

To the Board of Education:

### ***Report on the Financial Statements***

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows 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 26 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter. Additionally, as disclosed in Note 27 to the financial statements, the Other Governmental Funds' July 1, 2020 fund balance was restated. 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 February 28, 2022, 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

February 28, 2022

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## Euclid City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
(Unaudited)*

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

### Financial Highlights

Key financial highlights for 2021 are as follows:

- In total, net position increased \$9,547,233 or by 27.96 percent. Net position of governmental activities increased \$8,958,773 which represents a 26.0 percent increase from 2020 to 2021. Net position of business-type activities increased \$588,460 which represents a 188.2 percent increase from 2020 to 2021.
- General revenues accounted for \$72,956,402 or 74.8 percent of all governmental revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$24,593,140 or 25.2 percent of total governmental revenues of \$97,549,542.
- Total assets of governmental activities experienced an increase of \$7,466,459 as current assets decreased by \$14,202,887 or 10.2 percent and capital assets increased by \$21,627,384 or 11.9 percent. Total liabilities of governmental activities decreased by \$4,489,622 or 1.8 percent.
- Total deferred outflows of resources for governmental activities decreased by \$541,466 or 3.3 percent and the deferred inflows of resources for governmental activities increased by \$2,455,842 or 4.7 percent. Both of these fluctuations can be attributed to significant changes to the actuarial assumptions related to the calculations of the net pension/OPEB liabilities and asset. Refer to Notes 16 and 17 included within for further explanations.
- The School District had \$88,580,769 in expenses related to governmental activities; only \$24,593,140 of those expenses were offset by program specific charges for services and operating grants and contributions. General revenues (primarily taxes and grants and entitlements) of \$72,956,402 were not sufficient to fully cover these programs.
- The General Fund had \$79,277,929 in revenues (including other financing sources) and \$67,218,778 in expenditures (including other financing uses). The fund balance of the General Fund increase from \$6,554,857 to \$18,614,008.

## Euclid City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
(Unaudited)*

### Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term, as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other nonmajor funds presented in total in one column. In the case of the School District, the General Fund, Bond Retirement Fund, Building Fund and Classroom Facilities Fund are considered to be significant funds.

### Reporting the School District as a Whole

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

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

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

In the Statement of Net Position and Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant services, pupil transportation, and extracurricular activities.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's food service and customer services are reported as business-type activities.

## Euclid City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
(Unaudited)*

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

#### *Fund Financial Statements*

The analysis of the School District's major funds begins on page 14. 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 focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Bond Retirement Fund, Building Fund and the Classroom Facilities Fund. The School District's three types of funds: governmental, proprietary and fiduciary, use different accounting approaches as further described in the notes to the basic financial statements.

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

*Proprietary Funds* Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The School District uses internal service funds to account for a general rotary fund and self-insurance programs related to workers compensation insurance and medical/dental insurance. The assets, liabilities, and net position of the internal service funds have been included within the governmental activities.

*Fiduciary Funds* The School District has one custodial fund which accounts for the hosting of Ohio High School Athletics Association Tournaments. The School District's fiduciary activities are reported in the Fiduciary Net Position and Statement of Changes in Fiduciary Net Position – Custodial Funds. We exclude these activities from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

## Euclid City School District

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
(Unaudited)*

### The School District as a Whole

You may recall that the Statement of Net Position provides the perspective of the School District as a whole.

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

**Table 1 - Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>ASSETS</b>						
Current assets	\$ 124,772,212	\$ 138,975,099	\$ 2,545,453	\$ 1,946,193	\$ 127,317,665	\$ 140,921,292
Net other post-employment asset	4,772,470	4,730,508	-	-	4,772,470	4,730,508
Capital assets	203,583,502	181,956,118	409,218	472,545	203,992,720	182,428,663
<b>Total Assets</b>	<b>333,128,184</b>	<b>325,661,725</b>	<b>2,954,671</b>	<b>2,418,738</b>	<b>336,082,855</b>	<b>328,080,463</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>15,828,876</b>	<b>16,370,342</b>	<b>384,716</b>	<b>285,127</b>	<b>16,213,592</b>	<b>16,655,469</b>
<b>LIABILITIES</b>						
Current liabilities	16,036,908	19,105,688	101,840	70,917	16,138,748	19,176,605
Long-term liabilities						
Due within one year	4,054,586	4,252,996	6,409	9,097	4,060,995	4,262,093
Due in more than one year:						
Other amounts	141,935,266	144,019,912	8,128	11,751	141,943,394	144,031,663
Net pension liability	82,702,316	80,291,008	1,800,821	1,814,739	84,503,137	82,105,747
Net other post-employment liability	5,767,857	7,316,951	611,097	775,222	6,378,954	8,092,173
<b>Total Liabilities</b>	<b>250,496,933</b>	<b>254,986,555</b>	<b>2,528,295</b>	<b>2,681,726</b>	<b>253,025,228</b>	<b>257,668,281</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>55,044,827</b>	<b>52,588,985</b>	<b>535,390</b>	<b>334,897</b>	<b>55,580,217</b>	<b>52,923,882</b>
<b>NET POSITION</b>						
Net investment in capital assets	65,130,453	46,364,750	409,218	472,545	65,539,671	46,837,295
Restricted	30,375,096	49,601,038	-	-	30,375,096	49,601,038
Unrestricted	(52,090,249)	(61,509,261)	(133,516)	(785,303)	(52,223,765)	(62,294,564)
<b>Total Net Position</b>	<b>\$ 43,415,300</b>	<b>\$ 34,456,527</b>	<b>\$ 275,702</b>	<b>\$ (312,758)</b>	<b>\$ 43,691,002</b>	<b>\$ 34,143,769</b>

The School District has adopted GASB Statement 68, Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27 and (GASB) Statement 75, Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions which significantly revises accounting for pension and other post-employment benefits (OPEB) costs and liabilities. 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/OPEB and the net pension/OPEB liability to the reported net position and subtracting deferred outflows related to pension/OPEB and the net OPEB asset. It is important to note that the deficits reported in net position are solely attributed to the net pension/OPEB liabilities.

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



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GASB Statements 68 and 75 takes an earnings approach to pension/OPEB accounting; however, the nature of Ohio's statewide pension systems and the state law which governs those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the standards required by GASB Statements 68 and 75, the net pension/OPEB liability equals the School District's proportionate share of each plan's collective:

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

GASB notes that pension/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. 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 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 pension system. In Ohio, there is no legal means to enforce the unfunded liabilities of the retirement systems *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 systems are 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/OPEB liability. As explained above, changes in retirement benefits, contribution rates, and return on investments affect the balance of the net pension/OPEB liability, 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 retirement payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the Statement of Net Position.

In accordance with GASB Statements 68 and 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/OPEB liability not accounted for as deferred inflows/outflows.

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As a result of implementing GASB Statements 68 and 75, the School District is reporting a net pension/OPEB liability, net OPEB asset and deferred inflows/outflows of resources related to pensions/OPEB on the accrual basis of accounting.

As the previous narrative explained in further detail, the recognition of the net pension/OPEB liability and the related deferred outflows/inflows distort the true picture of the School District's financial position. To gain a better picture of the School District's net position it is important to focus on the impact of other financial items within the Statement of Net Position. Some key items are as follows:

- Current assets of the governmental activities decreased by \$14,202,887 or 10.2 percent. The contributing factor was a decrease in intergovernmental receivable and investments. As a result of the ongoing construction projects, more of the School District's investment balance and intergovernmental receivables balance were spent down. The decrease in current assets was also offset by an increase in property tax receivables. This increase is due to a new levy that passed in November 2020, with collections beginning in calendar year 2021. The capital assets of the governmental activities increased by \$21,627,384 or 11.9 percent. This is due to additions to construction in progress from the ongoing school facilities construction project.
- The current liabilities of the governmental activities decreased by \$3,068,780 or 16.1 percent. This is mainly due to the decrease in contracts payable related to the ongoing school facilities construction project. Long-term liabilities, excluding the net pension/OPEB liabilities, decreased by \$2,283,056. The decrease is mainly contributed to the principal payments made on long-term liabilities.
- The changes in the governmental activities' deferred outflows of resources and deferred inflows of resources can solely be tied to the effects of GASB Statements 68 and 75 and their changes to actuarial assumptions.
- Current assets of the business-type activities increased by \$599,260 or 30.8 percent. The increase in current assets can mainly be attributed to the increase in the equity in pooled cash, cash equivalents and investment of \$679,983 from the prior year. This was mostly due to a decrease in expenses in fiscal year 2021.
- Total liabilities for the business-type activities decreased by \$153,431 or 5.7 percent. The decrease can mostly be attributed to Net other post-employment liability.

The net positions of both the governmental and business-type activities are reflecting decreases from the prior fiscal year. Keeping the aforementioned discussions in mind of the impact of the net pension/OPEB liabilities and related deferred outflows/inflows, a more accurate picture of the School District's operations can be provided.

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Table 2 shows the changes in net position for fiscal year 2021 compared to 2020.

**Table 2 - Change in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>REVENUES</b>						
<i>Program Revenues</i>						
Charges for services	\$ 1,548,837	\$ 1,644,772	\$ 14,392	\$ 110,872	\$ 1,563,229	\$ 1,755,644
Operating grants and contributions *	23,044,303	20,202,927	2,383,832	2,528,226	25,428,135	22,731,153
Capital grants and contributions	-	478,517	-	-	-	478,517
<b>Total Program Revenues</b>	<b>24,593,140</b>	<b>22,326,216</b>	<b>2,398,224</b>	<b>2,639,098</b>	<b>26,991,364</b>	<b>24,965,314</b>
<i>General Revenues</i>						
Property taxes	44,217,638	36,164,049	-	-	44,217,638	36,164,049
Income taxes	8,227,368	6,523,878	-	-	8,227,368	6,523,878
Grants and entitlements *	17,977,870	18,084,625	-	-	17,977,870	18,084,625
Payments in lieu of taxes	443,916	89,431	-	-	443,916	89,431
Earnings on investments	100,459	1,937,110	9,268	28,337	109,727	1,965,447
All other revenues	1,989,151	763,650	18,763	39,865	2,007,914	803,515
<b>Total General Revenues</b>	<b>72,956,402</b>	<b>63,562,743</b>	<b>28,031</b>	<b>68,202</b>	<b>72,984,433</b>	<b>63,630,945</b>
<b>Total Revenues</b>	<b>97,549,542</b>	<b>85,888,959</b>	<b>2,426,255</b>	<b>2,707,300</b>	<b>99,975,797</b>	<b>88,596,259</b>
<b>EXPENSES</b>						
<i>Program Expenses:</i>						
Instruction:						
Regular	29,827,477	29,842,567	-	-	29,827,477	29,842,567
Special	19,237,917	20,281,045	-	-	19,237,917	20,281,045
Vocational	1,828,129	2,170,098	-	-	1,828,129	2,170,098
Other	118,952	47,394	-	-	118,952	47,394
Supporting Services:						
Pupils	6,948,743	7,354,253	-	-	6,948,743	7,354,253
Instructional Staff	2,695,766	2,178,093	-	-	2,695,766	2,178,093
Board of Education	105,493	45,164	-	-	105,493	45,164
Administration	4,636,107	4,832,672	-	-	4,636,107	4,832,672
Fiscal Services	2,292,788	2,388,217	-	-	2,292,788	2,388,217
Business	512,335	519,018	-	-	512,335	519,018
Operation and Maintenance of Plant Services	5,703,489	6,166,687	-	-	5,703,489	6,166,687
Pupil Transportation	4,386,361	4,998,460	-	-	4,386,361	4,998,460
Central	2,486,115	2,137,417	-	-	2,486,115	2,137,417
Operation of Non-Instructional Services:						
Community Services	1,354,330	1,091,140	-	-	1,354,330	1,091,140
Extracurricular Activities	707,609	964,399	-	-	707,609	964,399
Interest and Fiscal Charges	5,739,158	5,967,012	-	-	5,739,158	5,967,012
Food Service	-	-	1,835,518	2,797,637	1,835,518	2,797,637
Customer Services	-	-	12,277	19,130	12,277	19,130
<b>Total Expenses</b>	<b>88,580,769</b>	<b>90,983,636</b>	<b>1,847,795</b>	<b>2,816,767</b>	<b>90,428,564</b>	<b>93,800,403</b>
<i>Change in Net Position before Transfers</i>	8,968,773	(5,094,677)	578,460	(109,467)	9,547,233	(5,204,144)
Transfers	(10,000)	(30,381)	10,000	30,381	-	-
<i>Change in Net Position</i>	8,958,773	(5,125,058)	588,460	(79,086)	9,547,233	(5,204,144)
Net Position - Beginning	34,456,527	39,581,585	(312,758)	(233,672)	34,143,769	39,347,913
<b>NET POSITION - ENDING</b>	<b>\$ 43,415,300</b>	<b>\$ 34,456,527</b>	<b>\$ 275,702</b>	<b>\$ (312,758)</b>	<b>\$ 43,691,002</b>	<b>\$ 34,143,769</b>

\* Certain reclassifications have been made

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It is important to note that the changes in net pension/OPEB liabilities/asset are reflected as adjustments to current year expenses. The proportionate share of the adjustments has greatly impacted program expenses reflected in the above table. There was a significant change in both liabilities explains why program expenses fluctuate greatly from fiscal year 2020 to fiscal year 2021.

### ***Governmental Activities***

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become 0.5 mills and the owner would still pay \$35.00.

Thus, school districts' dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes are the School District's largest revenue contributor, making up 45.3 percent of revenues for governmental activities in fiscal year 2021. Property taxes increased by \$8,053,589 or 22.3 percent in fiscal year 2021. Property tax revenue increased due to an 8.7 mill, 10-year emergency passing on the November 2020 ballot. It will generate \$5.6 million annually, with collections that began in calendar year 2021.

The second largest revenue contributor, operating grants and contributions, represented 23.6 percent of the governmental activity revenue in fiscal year 2021. This revenue is generated through state and federal grants along with some of the State Foundation program revenue. The increase is mainly due to an increase in federal grants in fiscal year 2021.

The third largest revenue contributor, state aid or grants and entitlements, represented 18.4 percent of the governmental activity revenue in fiscal year 2021. This revenue is solely generated through the State's Foundation program and is budgeted on a biennium by the State's Legislature.

For the governmental activities, current year's program expenses of \$88,580,769 reflect a 2.6 percent decrease from prior year's program expenses of \$90,983,636. As discussed previously, the effects of GASB Statements 68 and 75 on the School District's government-wide statements can create these significant fluctuations and makes it challenging to analysis expenses.

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The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services for 2021 and 2020. Table 3 shows the total cost for services for governmental activities and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 3 – Governmental Activities**

EXPENSES	Total Cost of Services		Net Cost of Services	
	2021	2020	2021	2020
<i>Program Expenses</i>				
Instruction	\$ 51,012,475	\$ 52,341,104	\$ (31,949,955)	\$ 42,974,922
Supporting Services:				
Pupils and Instructional Staff	9,644,509	9,532,346	(6,499,786)	8,313,716
Board of Education, Administration, Fiscal Services and Business	7,546,723	7,785,071	(7,253,563)	7,487,181
Operation and Maintenance of Plant Services	5,703,489	6,166,687	(5,275,708)	4,443,017
Pupil Transportation	4,386,361	4,998,460	(4,378,743)	4,979,882
Central	2,486,115	2,137,417	(2,349,061)	1,652,499
Operation of Non-Instructional Services	1,354,330	1,091,140	32,373	136,983
Extracurricular Activities	707,609	964,399	(574,028)	792,279
Interest and Fiscal Charges	5,739,158	5,967,012	(5,739,158)	5,967,012
<b>Total Expenses</b>	<b>\$ 88,580,769</b>	<b>\$ 90,983,636</b>	<b>\$(63,987,629)</b>	<b>\$ 76,747,491</b>

The table above reflects how the School District funds its programs through program revenues. Instruction, supporting services, non-instructional services, extracurricular activities, and interest charges rely heavily on general revenues. The decrease in program expenses is a result of GASB Statements 68 and 75, as previously discussed. To gain a better understanding of operations, refer to the fund analysis on the following pages.

### ***Business Type Activities***

Business-type activities include the food service operation and culinary arts customer service operation. These programs had revenues (including transfers) of \$2,436,255 and expenses of \$1,847,795 in fiscal year 2021. During fiscal year 2021, the food service program and culinary arts customer service program experienced an increase in net position. The largest increase in net position can be attributed to the food service activity as a result of decreases in expenses. The expenses decreased due to the disruptions of school being in session during the pandemic.

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### The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. These funds are reported in the fund financial statements which reflect the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the School District, the General Fund, Bond Retirement Fund, Building Fund and Classroom Facilities Fund are considered to be significant funds. The School District's governmental funds reported a total fund balance of \$48,967,769. This represents a decrease over the fiscal year 2020 total governmental fund balance of \$56,365,625. A closer look into what led to this change in fund balance is provided:

#### General Fund

When compared to fiscal year 2020, the fiscal year 2021 fund balance of the School District's General Fund increased \$12,059,151. The following table provides a comparison by fiscal year of the revenue categories of the General Fund:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
<b>Revenues:</b>			
Taxes:			
Property	\$ 36,137,691	\$ 28,962,704	\$ 7,174,987
Income	8,227,368	6,523,878	1,703,490
State aid	28,449,962	29,937,091	(1,487,129)
Federal aid	1,979,148	144,859	1,834,289
Earnings on investments	52,051	858,224	(806,173)
Other revenues	4,117,778	2,072,205	2,045,573
<b>Total Revenues</b>	<b><u>\$ 78,963,998</u></b>	<b><u>\$ 68,498,961</u></b>	<b><u>\$ 10,465,037</u></b>

As noted above, property taxes increased considerably. Property tax revenue increased due to an 8.7 mill, 10-year emergency passed on the November 2020 ballot, with collections that began in calendar year 2021. Earnings on investments experienced a decrease due to the continuation of declines in interest rates and the spend down of cash balances. Federal aid increased due to an increase in federal grants.

As of June 30, 2021, the expenditures of the General Fund experienced a decrease of \$4,608,296 from fiscal year 2020. The following table identifies the major expenditure functions of the General Fund and provides a comparison by fiscal year of these expenditures:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
<b>Expenditures:</b>			
Instruction	\$ 41,075,686	\$ 44,536,921	\$ (3,461,235)
Supporting services	25,175,919	26,106,478	(930,559)
Community services	12,432	48,691	(36,259)
Extracurricular activities	586,941	741,100	(154,159)
Debt service	51,542	77,626	(26,084)
<b>Total Expenditures</b>	<b><u>\$ 66,902,520</u></b>	<b><u>\$ 71,510,816</u></b>	<b><u>\$ (4,608,296)</u></b>

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General Fund expenditures dropped between fiscal year 2020 and fiscal year 2021 mostly in the personnel area. Federal COVID relief funds were used to reassign staff from the General Fund to the first round of the COVID relief, or ESSER fund. Additionally, student activities were greatly curtailed in fiscal year 2021 due to the pandemic.

### ***Bond Retirement Fund***

The fund balance of the Bond Retirement Fund increased slightly by \$241,344 or 1.86 percent compared to fiscal year 2020.

### ***Building Fund***

The fund balance of the Building Fund decreased by \$7,331,935 compared to fiscal year 2020 mainly due to the decrease in revenue in fiscal year 2021 as in the prior year the School District issued \$12,500,000 in certificates of participation. This was largely offset by the ongoing expenditures for the locally funded initiative (LFI) portion of the overall school facilities project.

### ***Classroom Facilities Fund***

The fund balance of the Classroom Facilities Fund decreased by \$11,961,431 compared to fiscal year 2020. This was the third full year where construction was performed on the co-funded portion of the school facilities project. This fund is responsible for tracking both the local share and state share established through the agreement with Ohio Facilities Construction Commission (OFCC).

### **General Fund Budgeting Highlights**

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

The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, the total final budget basis revenue was the same as the original budget estimate of \$72,979,802 (including other financing sources). In total, actual revenues of \$79,401,885 were higher than the final revenues of \$72,979,802. Actual tax revenues, miscellaneous revenue and federal grants were higher than the final amended budget.

The final appropriations of \$76,368,608 (including other financing uses) were the same as the original appropriations. Actual expenditures came in under the final appropriations.

The School District's ending unobligated cash balance was \$12,044,479 over the final budgeted amount.

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### Capital Assets and Debt Administration

#### *Capital Assets*

At the end of fiscal year 2021, the School District had \$203,992,720 invested in land, construction in progress, intangible assets, land improvements, buildings and improvements, furniture and equipment, and vehicles of which, \$203,583,502 represented governmental activities. Table 4 shows fiscal year 2021 balances compared to 2020.

**Table 4 - Capital Assets at June 30 (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Nondepreciable</b>						
Land	\$ 2,340,558	\$ 2,340,558	\$ -	\$ -	\$ 2,340,558	\$ 2,340,558
Construction in Progress	110,498,937	84,787,370	-	-	110,498,937	84,787,370
Intangible	44,393	44,393	-	-	44,393	44,393
<i>Total Nondepreciable</i>	112,883,888	87,172,321	-	-	112,883,888	87,172,321
<b>Depreciable</b>						
Land improvements	13,475,192	14,539,422	-	-	13,475,192	14,539,422
Building and improvements	75,619,149	78,559,011	3,975	8,250	75,623,124	78,567,261
Furniture and equipment	1,505,545	1,575,076	379,640	434,753	1,885,185	2,009,829
Vehicles	99,728	110,288	25,603	29,542	125,331	139,830
<i>Total Depreciable</i>	90,699,614	94,783,797	409,218	472,545	91,108,832	95,256,342
<b>Total Capital Assets</b>	<b>\$ 203,583,502</b>	<b>\$ 181,956,118</b>	<b>\$ 409,218</b>	<b>\$ 472,545</b>	<b>\$ 203,992,720</b>	<b>\$ 182,428,663</b>

Ohio law required school districts to set aside a defined percent of certain revenues for capital improvements. For fiscal 2021, this amounted to \$823,104 for the set-aside. In fiscal year 2021, the School District had qualifying disbursements or offsets exceeding the requirement. The School District has budgeted to meet this requirement.

Additional information on capital asset policies and activity are contained in Notes 2 and 11 of the basic financial statements.



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### **Debt**

At June 30, 2021, the School District had \$142,891,940 in debt outstanding with \$3,325,385 due within one year. Table 5 summarizes the School District's bonds and notes outstanding.

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

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
<i>General Obligation Bonds, net:</i>		
Energy conservation bonds	\$ 334,200	\$ 434,400
Classroom facilities and school improvements:		
Series 2010	6,700,000	7,965,000
Series 2014 - refunding	21,373,232	21,423,707
Series 2017	99,800,204	99,955,828
Certificates of participation, Series 2019	13,470,126	13,495,433
Long-term tax anticipation notes	945,000	1,395,000
<i>Capital lease</i>	269,178	6,449
<b>Total Outstanding Debt</b>	<b>\$ 142,891,940</b>	<b>\$ 144,675,817</b>

At June 30, 2021, the School District's overall legal debt margin was \$0 with an unvoted debt margin of \$648,763. Section 133.06(I) of the Ohio Revised Code permits a school district to incur net indebtedness in excess of the 9.0 percent limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Ohio Revised Code. Since the School District entered into a project under Chapter 3318 of the Ohio Revised Code, this exception was included during the calculation of the overall legal debt margin.

As of June 30, 2021, the School District's credit rating, as provided by Moody's, is A3.

Additional information on debt policies and activity are contained in Notes 2 and 13 of the basic financial statements.

### **For the Future**

The economic downturn that occurred a decade ago presented the School District with financial challenges. Total assessed property values of the School District were reduced by 20.5 percent in the 2012 County sexennial reappraisal. This resulted in a loss in general revenue funds of \$2.1 million annually. Between tax year 2007 and tax year 2017, the total assessed valuation of the School District dropped by 35.8 percent. The County performed its sexennial reappraisal in 2018. As a result of this reappraisal, the Euclid's assessed valuations saw a 16 percent increase over the prior year's assessed valuations. This percentage increase was one of the largest across Cuyahoga County. This was encouraging news that property values are on the increase. The City of Euclid is continuing to pull itself out of the all-time lows experienced from the "Great Recession" and the assessed valuations are expected to improve further when the next appraisal update is done for tax year 2021.

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For the Fiscal Year Ended June 30, 2021  
(Unaudited)*

A number of factors have converged to bring the School District back to fiscal stability. Due to budgetary reductions in fiscal year 20-21, and a \$5.6 million emergency operating levy approved by voters in November, 2020, the District experienced an operating surplus of \$9.96 million in fiscal year 20-21. Additionally, fueled by construction of a new Amazon fulfillment center, the School District's share of the city/school income tax rose from \$5.2 million in fiscal year 18 to \$8.2 million in fiscal year 21. Looking ahead, the State installed a new public school funding formula that is expected to increase State funding for the School District by about 30 percent over the next six years. Operating surpluses are projected to continue through fiscal year 2023. Year-end unencumbered balances are projected to be positive for at least the next five fiscal years.

The second and last phase of the School District's new building project was substantially completed in fiscal 21. This phase built a new high school/middle school complex as well as new outdoor athletic facilities, which include a new football stadium and three artificial turf fields. In fiscal year 2022, the School District is renovating our two remaining elementary schools, which will provide special education services and alternative school programs, and the District's administration building. These projects are being funded largely with federal COVID relief funds and remaining funds from the phase II project. These facilities are scheduled to be completed and ready for occupancy by the beginning of the 2022/23 school year.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Steve Vasek, Treasurer at Euclid City School District, 22800 Fox Ave., Euclid, Ohio 44123 or e-mail at [svasek@euclidschools.org](mailto:svasek@euclidschools.org).

# Euclid City School District

## Statement of Net Position June 30, 2021

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 55,616,137	\$ 2,436,231	\$ 58,052,368
Cash and Cash Equivalents:			
With Escrow Agents	1,558,432	-	1,558,432
Investments	13,095,633	-	13,095,633
Income Taxes Receivable	731,294	-	731,294
Property Taxes Receivable	49,051,211	-	49,051,211
Lease Receivable	254,184	-	254,184
Accounts Receivable	390,846	-	390,846
Accrued Interest Receivable	21,172	-	21,172
Intergovernmental Receivable	3,748,109	69,381	3,817,490
Materials and Supplies Inventory	23,623	38,787	62,410
Prepaid Items	281,571	1,054	282,625
Net OPEB Asset	4,772,470	-	4,772,470
Nondepreciable Capital Assets	112,883,888	-	112,883,888
Depreciable Capital Assets, Net	90,699,614	409,218	91,108,832
<b>Total Assets</b>	<b>333,128,184</b>	<b>2,954,671</b>	<b>336,082,855</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	224,362	-	224,362
Pension	13,697,457	241,133	13,938,590
OPEB	1,907,057	143,583	2,050,640
<b>Total Deferred Outflows of Resources</b>	<b>15,828,876</b>	<b>384,716</b>	<b>16,213,592</b>
<b>LIABILITIES</b>			
Accounts Payable	722,049	22,571	744,620
Contracts Payable	1,276,893	-	1,276,893
Accrued Wages and Benefits	8,548,871	52,359	8,601,230
Intergovernmental Payable	1,489,855	26,910	1,516,765
Accrued Interest Payable	2,398,691	-	2,398,691
Matured Compensated Absences Payable	19,580	-	19,580
Retainage Payable	1,554,471	-	1,554,471
Unearned Revenue	26,498	-	26,498
Long-term Liabilities:			
Due within one year	4,054,586	6,409	4,060,995
Due in more than one year:			
Net Pension Liability	82,702,316	1,800,821	84,503,137
Net OPEB Liability	5,767,857	611,097	6,378,954
Other Amounts	141,935,266	8,128	141,943,394
<b>Total Liabilities</b>	<b>250,496,933</b>	<b>2,528,295</b>	<b>253,025,228</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	38,370,760	-	38,370,760
Payments in Lieu of Taxes	40,553	-	40,553
Pension	6,638,559	126,055	6,764,614
OPEB	9,994,955	409,335	10,404,290
<b>Total Deferred Inflows of Resources</b>	<b>55,044,827</b>	<b>535,390</b>	<b>55,580,217</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	65,130,453	409,218	65,539,671
Restricted:			
Capital Projects	14,633,061	-	14,633,061
Debt Service	11,484,746	-	11,484,746
Set-Asides	476,511	-	476,511
Classroom Facilities Maintenance	2,630,720	-	2,630,720
State Funded Programs	697,388	-	697,388
Federally Funded Programs	78,886	-	78,886
Student Activities	116,180	-	116,180
Other Purpose	257,604	-	257,604
Unrestricted	(52,090,249)	(133,516)	(52,223,765)
<b>Total Net Position</b>	<b>\$ 43,415,300</b>	<b>\$ 275,702</b>	<b>\$ 43,691,002</b>

See accompanying notes to the basic financial statements.

# Euclid City School District

## *Statement of Activities For the Fiscal Year Ended June 30, 2021*

	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Governmental activities:</b>			
Instruction:			
Regular	\$ 29,827,477	\$ 1,171,957	\$ 2,256,519
Special	19,237,917	-	15,214,250
Vocational	1,828,129	-	419,794
Other	118,952	-	-
Supporting Services:			
Pupils	6,948,743	-	2,087,944
Instructional Staff	2,695,766	-	1,056,779
Board of Education	105,493	-	-
Administration	4,636,107	-	168,634
Fiscal Services	2,292,788	-	61,383
Business	512,335	37,250	25,893
Operation and Maintenance of Plant	5,703,489	207,887	219,894
Pupil Transportation	4,386,361	7,618	-
Central	2,486,115	8,347	128,707
Operation of Non-Instructional Services			
Community Services	1,354,330	-	1,386,703
Extracurricular Activities	707,609	115,778	17,803
Interest and Fiscal Charges	5,739,158	-	-
<b>Total Governmental activities</b>	<b>\$ 88,580,769</b>	<b>\$ 1,548,837</b>	<b>\$ 23,044,303</b>
<b>Business-type activities:</b>			
Food Services	1,835,518	11,624	2,383,832
Customer Services	12,277	2,768	-
<b>Total Business-type activities</b>	<b>1,847,795</b>	<b>14,392</b>	<b>2,383,832</b>
<b>Totals</b>	<b>\$ 90,428,564</b>	<b>\$ 1,563,229</b>	<b>\$ 25,428,135</b>

**General Revenues:**

Property Taxes levied for:

    General Purposes

    Debt Service

    Capital Outlay

    Other Purposes

Income Taxes levied for:

    General Purposes

Payments in Lieu of Taxes

Grants & Entitlements not restricted to specific pro

Investment Income

Gain on Sale of Capital Assets

Miscellaneous

**Transfers**

    Total General Revenues

Change in Net Position

Net Position - Beginning of Year

**Net Position - End of Year**

Net (Expense) Revenue and Changes in  
Net Position

Governmental Activities	Business-type Activities	Total
\$ (26,399,001)	\$ -	\$ (26,399,001)
(4,023,667)	-	(4,023,667)
(1,408,335)	-	(1,408,335)
(118,952)	-	(118,952)
(4,860,799)	-	(4,860,799)
(1,638,987)	-	(1,638,987)
(105,493)	-	(105,493)
(4,467,473)	-	(4,467,473)
(2,231,405)	-	(2,231,405)
(449,192)	-	(449,192)
(5,275,708)	-	(5,275,708)
(4,378,743)	-	(4,378,743)
(2,349,061)	-	(2,349,061)
32,373		32,373
(574,028)	-	(574,028)
(5,739,158)	-	(5,739,158)
<u>\$ (63,987,629)</u>	<u>\$ -</u>	<u>\$ (63,987,629)</u>
-	559,938	559,938
-	(9,509)	(9,509)
-	550,429	550,429
<u>(63,987,629)</u>	<u>550,429</u>	<u>(63,437,200)</u>
35,791,645	-	35,791,645
7,625,130	-	7,625,130
549,165	-	549,165
251,698	-	251,698
8,227,368	-	8,227,368
443,916	-	443,916
17,977,870	-	17,977,870
100,459	9,268	109,727
-	6,330	6,330
1,989,151	12,433	2,001,584
(10,000)	10,000	-
<u>72,946,402</u>	<u>38,031</u>	<u>72,984,433</u>
8,958,773	588,460	9,547,233
34,456,527	(312,758)	34,143,769
<u>\$ 43,415,300</u>	<u>\$ 275,702</u>	<u>\$ 43,691,002</u>

## Euclid City School District

### Balance Sheet – Governmental Funds June 30, 2021

	General	Bond Retirement	Building	Classroom Facilities
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents, and Investments	\$ 22,197,686	\$ 12,598,492	\$ 42,557	\$ 628,158
Cash and Cash Equivalents:				
With Escrow Agents	-	1	95,369	1,463,062
Investments	-	-	6,684,540	6,411,093
Materials and Supplies Inventory	23,623	-	-	-
Accrued Interest Receivable	21,172	-	-	-
Accounts Receivable	390,846	-	-	-
Interfund Receivable	2,019,625	-	-	-
Intergovernmental Receivable	507,889	-	-	2,256,145
Prepaid Items	90,966	57,418	-	-
Income Taxes Receivable	731,294	-	-	-
Property Taxes Receivable	39,863,345	7,767,101	-	-
Lease Receivable	-	-	-	-
<b>Total Assets</b>	<b>\$ 65,846,446</b>	<b>\$ 20,423,012</b>	<b>\$ 6,822,466</b>	<b>\$ 10,758,458</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 237,375	\$ -	\$ 29,344	\$ -
Contracts Payable	-	-	124,736	1,152,157
Accrued Wages and Benefits	7,539,927	-	-	-
Intergovernmental Payable	1,314,052	-	-	-
Matured Compensated Absences Payable	19,580	-	-	-
Retainage Payable	-	-	95,369	1,459,102
Interfund Payable	-	-	-	85,000
Tax Anticipation Notes Payable	-	-	-	-
<b>Total Liabilities</b>	<b>9,110,934</b>	<b>-</b>	<b>249,449</b>	<b>2,696,259</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	31,393,044	5,904,876	-	-
Payments in Lieu of Taxes	40,553	-	-	-
Unavailable Revenue-Delinquent Property Taxes	5,951,865	1,308,538	-	-
Unavailable Revenue - Grants	-	-	-	2,256,145
Unavailable Revenue-Other	736,042	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>38,121,504</b>	<b>7,213,414</b>	<b>-</b>	<b>2,256,145</b>
<b>FUND BALANCES</b>				
Nonspendable	120,029	57,418	-	-
Restricted	-	13,152,180	6,573,017	5,806,054
Committed	56,086	-	-	-
Assigned	1,003,172	-	-	-
Unassigned (Deficits)	17,434,721	-	-	-
<b>Total Fund Balances</b>	<b>18,614,008</b>	<b>13,209,598</b>	<b>6,573,017</b>	<b>5,806,054</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 65,846,446</b>	<b>\$ 20,423,012</b>	<b>\$ 6,822,466</b>	<b>\$ 10,758,458</b>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 8,030,787	\$ 43,497,680
-	1,558,432
-	13,095,633
-	23,623
-	21,172
-	390,846
-	2,019,625
950,931	3,714,965
163	148,547
-	731,294
1,420,765	49,051,211
254,184	254,184
<u>\$ 10,656,830</u>	<u>\$ 114,507,212</u>
\$ 455,330	\$ 722,049
-	1,276,893
1,008,944	8,548,871
175,803	1,489,855
-	19,580
-	1,554,471
1,934,625	2,019,625
945,000	945,000
<u>4,519,702</u>	<u>16,576,344</u>
1,072,840	38,370,760
-	40,553
244,478	7,504,881
745,534	3,001,679
254,184	990,226
<u>2,317,036</u>	<u>49,908,099</u>
163	177,610
5,826,789	31,358,040
23,302	79,388
52,705	1,055,877
(2,082,867)	15,351,854
<u>3,820,092</u>	<u>48,022,769</u>
\$ 10,656,830	\$ 114,507,212

**Reconciliation of Total Governmental Fund Balances  
to Net Positions of Governmental Activities  
For the Fiscal Year Ended June 30, 2021**

<b>Total Fund Balances- Governmental Funds</b>	<b>\$ 48,022,769</b>
<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds	203,583,502
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:	
Delinquent Property Taxes	\$ 7,504,881
Grants	3,001,679
Other revenues	990,226
Total	11,496,786
Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the District Internal Service funds are included in Governmental Activities in the Statement of Net Position.	11,342,995
The unearned revenue represents interest income receivable in the future, but not earned as of the inception date.	(26,498)
The net pension liability and net OPEB liability are not due and payable in the current period; and the net OPEB asset is not available for spending in the current period; therefore, the asset, the liability and related deferred inflows/outflows are not reported in governmental funds:	
Deferred Outflows - Pension	13,697,457
Deferred Inflows - Pension	(6,638,559)
Net Pension Liability	(82,702,316)
Deferred Outflows - OPEB	1,907,057
Deferred Inflows - OPEB	(9,994,955)
Net OPEB Liability	(5,767,857)
Net OPEB Asset	4,772,470
Total	(84,726,703)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(123,014,190)
Certificates of Participation	(12,500,000)
Lease Payable	(269,178)
Bond Accretion	(634,699)
Unamortized Bond C.A.P.S Premiums	(7,052,105)
Unamortized Bond Discounts	1,523,232
Deferral on Refunding	224,362
Accrued Interest Payable	(2,398,691)
Compensated Absences	(2,156,282)
Total	(146,277,551)
<b>Net Position of Governmental Activities</b>	<b>\$ 43,415,300</b>

See accompanying notes to the basic financial statements.

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

	General	Bond Retirement	Building	Classroom Facilities
<b>REVENUES</b>				
Taxes:				
Property	\$ 36,137,691	\$ 7,419,080	\$ -	\$ -
Income	8,227,368	-	-	-
Revenues from State Sources:				
Unrestricted Grants-in-Aid	25,065,985	455,201	-	-
Restricted Grants-in-Aid	3,383,977	-	-	5,786,093
Revenues from Federal Sources:				
Restricted Grants-in-Aid	1,979,148	-	-	-
Earnings on Investments	52,051	21	42,785	28,696
Tuition	1,065,636	-	-	-
Extracurricular Activities	3,863	-	-	-
Rentals	207,887	-	-	-
Contributions and Donations from Private Sources	58,585	-	-	-
Transportation Fees	7,618	-	-	-
Classroom Materials and Fees	13,533	-	-	-
Payments in Lieu of Taxes	443,916	-	-	-
Miscellaneous	2,316,740	-	-	-
<b>Total Revenues</b>	<u>78,963,998</u>	<u>7,874,302</u>	<u>42,785</u>	<u>5,814,789</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	22,796,677	-	-	-
Special	16,461,613	-	-	-
Vocational	1,816,086	-	-	-
Other	1,310	-	-	-
Supporting Services:				
Pupils	5,269,890	-	-	-
Instructional Staff	1,304,807	-	-	-
Board of Education	45,618	-	-	-
Administration	4,365,490	-	-	-
Fiscal Services	2,187,825	117,805	2,936	4,413
Business	334,908	-	37,794	1,943
Operation and Maintenance of Plant Services	5,226,035	-	2,573	-
Pupil Transportation	4,319,007	-	-	-
Central	2,122,339	-	-	-
Operation of Non-Instructional Services:				
Community Services	12,432	-	-	-
Extracurricular Activities	586,941	-	-	-
Facilities Acquisition and Construction Services	-	-	7,331,417	18,219,864
Debt Service:				
Principal Retirement	43,981	1,645,200	-	-
Interest and Fiscal Charges	7,561	5,675,131	-	-
<b>Total Expenditures</b>	<u>66,902,520</u>	<u>7,438,136</u>	<u>7,374,720</u>	<u>18,226,220</u>
Excess of Revenues Over (Under) Expenditures	<u>12,061,478</u>	<u>436,166</u>	<u>(7,331,935)</u>	<u>(12,411,431)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	7,221	-	-	-
Inception of Capital Lease	306,710	-	-	-
Transfers In	-	120,376	-	-
Transfers Out	(316,258)	(315,198)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(2,327)</u>	<u>(194,822)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	12,059,151	241,344	(7,331,935)	(12,411,431)
Fund Balances - Beginning of Year, Restated	6,554,857	12,968,254	13,904,952	18,217,485
<b>Fund Balances - End of Year</b>	<u>\$ 18,614,008</u>	<u>\$ 13,209,598</u>	<u>\$ 6,573,017</u>	<u>\$ 5,806,054</u>

See accompanying notes to the basic financial statements.



Other Governmental Funds	Total Governmental Funds
\$ 776,883	\$ 44,333,654
-	8,227,368
158,834	25,680,020
3,302,145	12,472,215
6,943,883	8,923,031
11,438	134,991
-	1,065,636
111,915	115,778
30,240	238,127
165,974	224,559
37,250	44,868
-	13,533
-	443,916
49,814	2,366,554
<u>11,588,376</u>	<u>104,284,250</u>
2,812,072	25,608,749
2,460,091	18,921,704
-	1,816,086
115,946	117,256
1,840,413	7,110,303
1,229,440	2,534,247
-	45,618
153,096	4,518,586
56,759	2,369,738
172,997	547,642
964,093	6,192,701
61,007	4,380,014
334,537	2,456,876
1,344,543	1,356,975
135,965	722,906
12,800	25,564,081
-	1,689,181
-	5,682,692
<u>11,693,759</u>	<u>111,635,355</u>
<u>(105,383)</u>	<u>(7,351,105)</u>
99,318	106,539
-	306,710
501,080	621,456
-	(631,456)
600,398	403,249
495,015	(6,947,856)
3,325,077	54,970,625
<u>\$ 3,820,092</u>	<u>\$ 48,022,769</u>

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2021**

**Net Change in Fund Balances--Total Governmental Funds** \$ (6,947,856)

*Amounts reported for Governmental Activities in the Statement of Activities are different because:*

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

Capital Outlay	\$ 26,060,079	
Depreciation	(3,579,791)	
Total		22,480,288

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (852,904)

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

Delinquent Property Taxes	(116,016)	
Grants	(6,004,018)	
Earnings on investments	(40,421)	
Other revenues	(580,142)	
Total		(6,740,597)

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the issuance of a capital lease. (306,710)

Repayment of principal on bonds, notes, and capital leases are expenditures in the Governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position. 1,689,181

Revenue reported in the Statement of Activities from the amortization of unearned revenue is not reported as revenue in Governmental funds. 5,889

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

Pension	5,725,527
OPEB	150,746

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability, net OPEB liability, and net OPEB asset are reported as pension and OPEB expense in the Statement of Activities.

Pension	(7,179,031)
OPEB	766,222

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	(23,424)	
Bond Accretion	(219,975)	
Amortization of Bond C.A.P.S Premiums	228,758	
Amortization of Bond Discounts	(57,377)	
Amortization of Deferral on Refunding	(13,198)	
Accrued Interest Payable	5,326	
Total		(79,890)

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of the Internal Service fund are reported in the Governmental Activities. 247,908

**Change in Net Position of Governmental Activities** \$ 8,958,773

See accompanying notes to the basic financial statements.

**Euclid City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Budget (Non-GAAP Budgetary Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2021*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes:				
Property	\$ 32,746,323	\$ 32,746,323	\$ 36,138,698	\$ 3,392,375
Income	7,625,796	7,625,796	8,214,074	588,278
Tuition	1,258,783	1,258,783	1,065,636	(193,147)
Transportation Fees	7,500	7,500	7,618	118
Earnings on Investments	244,917	244,917	252,944	8,027
Extracurricular Activities	1,250	1,250	953	(297)
Classroom Materials and Fees	18,500	18,500	13,098	(5,402)
Miscellaneous Revenues	462,962	462,962	2,301,966	1,839,004
Other Revenue Sources	2,500	2,500	7,221	4,721
Revenues from State Sources:				
Unrestricted Grants-in-Aid	24,685,678	24,685,678	24,979,043	293,365
Restricted Grants-in-Aid	4,460,000	4,460,000	3,383,977	(1,076,023)
Revenues from Federal Sources:				
Restricted Grants-in-Aid	699,514	699,514	1,918,102	1,218,588
<b>Total Revenues</b>	<u>72,213,723</u>	<u>72,213,723</u>	<u>78,283,330</u>	<u>6,069,607</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	24,574,548	24,574,548	23,062,039	1,512,509
Special	18,028,317	18,028,317	17,045,584	982,733
Vocational	2,105,264	2,105,264	1,775,742	329,522
Other	66,701	66,701	40,767	25,934
Supporting Services:				
Pupils	5,681,104	5,681,104	5,309,813	371,291
Instructional Staff	1,522,925	1,522,925	1,294,322	228,603
Board of Education	54,304	54,304	40,092	14,212
Administration	4,399,325	4,399,325	4,378,063	21,262
Fiscal Services	2,099,293	2,099,293	2,208,138	(108,845)
Business	490,038	490,038	350,239	139,799
Operation and Maintenance of Plant Services	6,285,240	6,285,240	5,613,862	671,378
Pupil Transportation	7,426,116	7,426,116	4,477,689	2,948,427
Central	2,271,513	2,271,513	2,209,841	61,672
Operation of Non-Instructional Services	27,844	27,844	15,416	12,428
Extracurricular Activities	646,076	646,076	588,723	57,353
<b>Total Expenditures</b>	<u>75,678,608</u>	<u>75,678,608</u>	<u>68,410,330</u>	<u>7,268,278</u>
Excess of Revenues over Expenditures	(3,464,885)	(3,464,885)	9,873,000	13,337,885
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(340,000)	(340,000)	(316,258)	23,742
Advances In	430,759	430,759	430,759	-
Advances Out	(150,000)	(150,000)	(2,019,624)	(1,869,624)
Refund of Prior Year's Expenditures	335,320	335,320	687,796	352,476
Contingencies	(200,000)	(200,000)	-	200,000
<b>Total Other Financing Sources (Uses)</b>	<u>76,079</u>	<u>76,079</u>	<u>(1,217,327)</u>	<u>(1,293,406)</u>
Net Change in Budgetary Fund Balance	(3,388,806)	(3,388,806)	8,655,673	12,044,479
Budgetary Fund Balance - Beginning of Year	10,439,780	10,439,780	10,439,780	-
Prior Year Encumbrances Appropriated	1,649,849	1,649,849	1,649,849	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 8,700,823</u>	<u>\$ 8,700,823</u>	<u>\$ 20,745,302</u>	<u>\$ 12,044,479</u>

See accompanying notes to the basic financial statements.

**Euclid City School District**  
*Statement of Net Position*  
*Proprietary Funds*  
*June 30, 2021*

	Business-Type Activities - Non-Major Enterprise Funds	Governmental Activities -  Internal Service Funds
<b>ASSETS</b>		
<b>Current Assets:</b>		
Equity in Pooled Cash and Cash Equivalents, and Investments	\$ 2,436,231	\$ 12,118,457
Materials and Supplies Inventory	38,787	-
Intergovernmental Receivable	69,381	33,144
Prepaid Items	1,054	133,024
<b>Total Current Assets</b>	<u>2,545,453</u>	<u>12,284,625</u>
<b>Noncurrent Assets:</b>		
Capital Assets:		
Depreciable Capital Assets, Net of Depreciation	409,218	-
<b>Total Noncurrent Assets</b>	<u>409,218</u>	<u>-</u>
<b>Total Assets</b>	<u>2,954,671</u>	<u>12,284,625</u>
<b>Deferred Outflows of Resources</b>		
Pension	241,133	-
OPEB	143,583	-
<b>Total Deferred Outflows of Resources</b>	<u>384,716</u>	<u>-</u>
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	22,571	-
Accrued Wages and Benefits	52,359	-
Compensated Absences Payable	6,409	-
Intergovernmental Payable	26,910	-
Claims Payable	-	941,630
<b>Total Current Liabilities</b>	<u>108,249</u>	<u>941,630</u>
<b>Noncurrent Liabilities:</b>		
Compensated Absences Payable	8,128	-
Net Pension Liability	1,800,821	-
Net OPEB Liability	611,097	-
<b>Total Noncurrent Liabilities</b>	<u>2,420,046</u>	<u>-</u>
<b>Total Liabilities</b>	<u>2,528,295</u>	<u>941,630</u>
<b>Deferred Inflows of Resources</b>		
Pension	126,055	-
OPEB	409,335	-
<b>Total Deferred Inflows of Resources</b>	<u>535,390</u>	<u>-</u>
<b>NET POSITION</b>		
Net Investment In Capital Assets	409,218	-
Unrestricted	(133,516)	11,342,995
<b>Total Net Position</b>	<u>\$ 275,702</u>	<u>\$ 11,342,995</u>

See accompanying notes to the basic financial statements.

**Euclid City School District**  
*Statement of Revenues, Expenses and Changes in Net Position*  
*Proprietary Funds*  
*For the Fiscal Year Ended June 30, 2021*

	Business-Type Activities - Non-Major Enterprise Funds	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES</b>		
Charges for Services:		
Food Services	\$ 14,370	\$ -
Risk Management	-	9,047,817
Commissions	22	-
Other Miscellaneous	12,433	35,327
<b>Total Operating Revenues</b>	<u>26,825</u>	<u>9,083,144</u>
<b>OPERATING EXPENSES</b>		
Salaries and Wages	735,174	18,834
Employee's Retirement and Insurance Benefits	187,348	8,088,414
Purchased Services	7,486	930,566
Materials and Supplies	849,061	20,775
Depreciation	54,778	-
Other	5,399	1,463
<b>Total Operating Expenses</b>	<u>1,839,246</u>	<u>9,060,052</u>
Operating Income (Loss)	<u>(1,812,421)</u>	<u>23,092</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Gain on Sale of Capital Assets	6,330	-
(Loss) on Sale of Capital Assets	(8,549)	-
Earnings on Investments	9,268	-
Contributions and Donations from Private Sources	14,000	222,388
Intergovernmental	2,237,139	2,428
Donated Commodities	132,693	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>2,390,881</u>	<u>224,816</u>
Transfers In	<u>10,000</u>	<u>-</u>
Change in Net Position	588,460	247,908
Net Position (Deficit) - Beginning of Year	<u>(312,758)</u>	<u>11,095,087</u>
<b>Net Position - End of Year</b>	<u>\$ 275,702</u>	<u>\$ 11,342,995</u>

See accompanying notes to the basic financial statements.

**Euclid City School District**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities <u>Non-Major Enterprise Funds</u>	Governmental Activities -  Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Charges for Food Services	\$ 14,392	\$ 9,047,817
Other Cash Receipts	52,176	2,183
Cash Payments to Employees for Salaries and Wages	(721,962)	(18,834)
Cash Payments to Employees for Retirement and Insurance Benefits	(275,658)	(8,572,923)
Cash Payments to Suppliers and Service Providers for Goods and Services	(662,730)	(951,341)
Cash Payments for Other Expenses	<u>(5,315)</u>	<u>(1,463)</u>
Net Cash (Used In) Operating Activities	<u>(1,599,097)</u>	<u>(494,561)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Operating Grants Received	2,239,482	2,428
Transfers In	10,000	-
Contributions and Donations from Private Sources	<u>14,000</u>	<u>222,388</u>
Net Cash Provided by Noncapital Financing Activities	<u>2,263,482</u>	<u>224,816</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from Sale of Revenue Bonds	<u>6,330</u>	<u>-</u>
Net Cash Provided by Capital and Related Financing Activities	<u>6,330</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	<u>9,268</u>	<u>-</u>
Net Cash Provided by Investing Activities	<u>9,268</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	679,983	(269,745)
Cash and Cash Equivalents - Beginning of Year	<u>1,756,248</u>	<u>12,388,202</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 2,436,231</u>	<u>\$ 12,118,457</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED IN) OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (1,812,421)	\$ 23,092
Adjustments:		
Depreciation	54,778	-
Federal Donated Commodities	132,693	-
(Increase) Decrease in Assets and Deferred Outflows of Resources:		
Intergovernmental Receivable	39,743	(33,144)
Materials and Supplies Inventory	38,553	-
Prepaid Items	84	38,094
Deferred Outflows of Resources - Pension and OPEB	(99,589)	
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:		
Accounts Payable	22,571	-
Accrued Wages and Benefits	30,467	-
Compensated Absences Payable	(8,737)	-
Intergovernmental Payable	(19,689)	-
Net Pension Liability	(13,918)	(522,603)
Net OPEB Liability	(164,125)	
Deferred Inflows of Resources - Pension and OPEB	<u>200,493</u>	
Net Cash (Used In) Operating Activities	<u>\$ (1,599,097)</u>	<u>\$ (494,561)</u>

**Schedule of Noncash Non-Capital and Capital Financing Activities**

During the year, the Food Services fund received donated commodities of \$132,693

See accompanying notes to the basic financial statements.

**Euclid City School District**

*Statement of Fiduciary Net Position  
Custodial Funds  
June 30, 2021*

	<b>Custodial Fund</b>
<b>ASSETS</b>	
<b>Total Assets</b>	-
<b>LIABILITIES</b>	
<b>Total Liabilities</b>	-
<b>NET POSITION</b>	
Restricted For:	
Individuals, Organizations, and Other Governments	-
<b>Total Net Position</b>	<u>\$ -</u>

See accompany notes to the basic financial statements.

**Euclid City School District**

*Statement of Changes in Fiduciary Net Position  
Custodial Funds  
For the Year Ended June 30, 2021*

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Collections for Other Organizations	\$ 7,095
<b>Total Additions</b>	<u>7,095</u>
<b>DEDUCTIONS</b>	
Collections to Other Organizations	<u>7,095</u>
<b>Total Deductions</b>	<u>7,095</u>
Net Increase (Decrease) in Fiduciary Net Position	-
Net Position - Beginning of Year	-
	<u>\$ -</u>

See accompany notes to the basic financial statements.

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**



## Euclid City School District

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

#### NOTE 1: **DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Euclid City School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under an elected Board of Education (five members) and is responsible for the provisions of public education to residents of the School District.

The School District provides public education from preschool to grade 12. The School District’s enrollment as of June 30, 2021 was 4,686. The School District employed 416 certified employees and 275 non-certified employees.

#### **Reporting Entity**

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

**Nonpublic Schools** – Within the School District’s boundaries, Our Lady of Lake and St. Robert and William schools are operated through the Cleveland Catholic Diocese. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. The activity of these state monies by the School District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the School District is financially accountable. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District is associated with two organizations which are defined as a jointly governed organization and a related organization. The Ohio School’s Council Association is a jointly governed organization and the Euclid Public Library is a related organization. The jointly governed organization is presented in Note 19 and the related organization is presented in Note 20 to the basic financial statements.

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### A. Fund Accounting

The more significant of the School District's accounting policies are described below.

The School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the following categories: governmental, proprietary and fiduciary.

#### ***Governmental Funds***

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

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

Bond Retirement Fund – The Bond Retirement Fund is used to account for and report financial resources that are restricted to expenditure for principal and interest.

Building Fund – The Building Fund is used to account for financial resources that are restricted to expenditures related to the special bonds for capital facilities.

Classroom Facilities Fund – The Classroom Facilities Fund is used to account for financial resources in connection with contracts entered into by the school district and the Ohio Facilities Construction Commission (OFCC) for the building and equipping of classroom facilities.

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

#### ***Proprietary Funds***

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service.

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's enterprise funds account for the provision of food services and services to the general public financed by user charges (culinary arts restaurant). The School District has no major enterprise funds.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

#### A. **Fund Accounting** (Continued)

*Internal Service Funds* – Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the School District, or to other governmental units, on a cost-reimbursement basis. The internal service funds of the School District account for two self-insurance programs and a program for the purchase of services and equipment for internal use. The two self-insurance programs provide medical, drug and dental to employees along with workers’ compensation claims.

#### *Fiduciary Funds*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The 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 only custodial fund accounts for the athletic tournaments.

#### B. **Basis of Presentation**

*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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **B. Basis of Presentation (Continued)**

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 business segment or governmental function is self-financing or draws from the general revenues of the School District.

***Fund Financial Statements*** – Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

##### **C. 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. The proprietary funds and the fiduciary funds also use the accrual basis of accounting

##### **Revenues – Exchange and Non-Exchange Transactions**

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

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### C. **Basis of Accounting (Continued)**

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the fiscal year in which the exchange on which the tax is imposed takes place and revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 8). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from 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 as an 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, represents 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 in the government-wide Statement of Net Position for deferral on refunding and for pensions and other post-employment benefits. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pensions and other post-employment benefits are explained in Notes 16 and 17, respectively.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, compensation payments from a tax increment financing (TIF) agreement, pensions, other post-employment benefits and unavailable revenue. Property taxes and the compensation payments from the TIF agreement 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 the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### C. **Basis of Accounting (Continued)**

For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, earnings on investments and other revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pensions and other post-employment benefits are reported on the government-wide Statement of Net Position which is further explained in Notes 16 and 17, respectively.

**Expenses/Expenditures** – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as unearned revenues.

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

##### D. **Cash, Cash Equivalents and Investments**

Cash received by the School District is pooled for investment purposes. Interest in the pool is presented as “equity in pooled cash, cash equivalents, and investments” on the financial statements. Certain investments have been identified as not part of the School District’s internal pool. These investments are presented separately on the financial statements and are related to specific construction projects. Cash held with escrow agents is identified for deposits held for principal and interest payments on certificates of participation and for contract retainage.

During fiscal year 2021, investments were limited to US Bank First American Government Obligation – Class III money market mutual funds, negotiable certificates of deposit, U.S. Government Agency securities, U.S. Treasury notes, commercial paper, and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost.

During fiscal year 2021, the School District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

##### D. **Cash, Cash Equivalents and Investments** (Continued)

For the fiscal year 2021, there were no limitation 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 \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2021 amounted to \$52,051, which includes \$19,641 assigned from other School District funds.

For presentation on the financial statement, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

##### E. **Restricted Assets**

Restricted assets represent cash and cash equivalents and other current assets whose use is limited by legal requirements. As of June 30, 2021, the School District did not have any restricted assets.

##### F. **Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2021 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

##### G. **Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds when used.

Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

## Euclid City School District

### Notes to the Basic Financial Statements

June 30, 2021

(continued)

#### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at the acquisition value. The School District's capitalization threshold for all capital assets is \$5,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Buildings and Improvements	10-80 years	N/A
Furniture and Equipment	5-10 years	3-10 years
Vehicles	10 years	N/A

##### I. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from/to other fund". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the residual amounts due between governmental and business-type activities, which are presented as internal balances.

##### J. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned by all employees with more than one year of service.



**Euclid City School District**

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Compensated Absences (Continued)**

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

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

**K. Bond Premiums and Discounts**

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. Bond discounts are presented as a decrease of the face amount of the general obligation bonds payable. On fund financial statements, premiums are received and discounts are disbursed in the year bonds are issued.

**L. Accrued Liabilities and Long-Term Obligations**

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. 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. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**M. 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:

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### M. Fund Balance (Continued)

*Nonspendable* – The nonspendable fund balance category includes amounts that cannot be spent because they are not spendable in 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’s Board of Education. Those committed amounts cannot be used for any other purpose unless the School District’s 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 would represent intended uses established by the School District’s Board of Education or a School District official delegated that authority by State statute.

*Unassigned* – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In the 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.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### N. **Net Position**

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows and inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District passed legislation to create a restriction to net position for budget stabilization. This is the only net position restriction imposed through enabling legislation. The net position restricted for state and federally fund programs and student activities have external and internal restrictions imposed by state and federal governments along with the School District's Board of Education. The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

##### O. **Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service and special services along with charges for services for the School District's two self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Any revenues and expenses not meeting the definition of operating are reported as non-operating.

##### P. **Interfund Transactions**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

##### Q. **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 School District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2021.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### R. **Estimates**

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

#### S. **Budgetary Accounting**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting.

The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

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

#### **Tax Budget**

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. Public hearings are publicized and conducted to obtain taxpayer's comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. The budget includes proposed expenditures and the means of financing for all funds. By no later than January 20, the Board-adopted budget is filed with the Cuyahoga County Budget Commission for rate determination.

#### **Estimated Resources**

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District's Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the original and final amended certificates of estimated resources issued during fiscal year 2021.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### S. Budgetary Accounting (Continued)

##### Appropriations

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

Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

##### Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Expenditures plus encumbrances may not legally exceed appropriations. On the governmental fund financial statements, encumbrances outstanding at year end are reported as part of the respective fund balance classification for subsequent year expenditures. Encumbrances outstanding at year end are not reported on government-wide financial statements.

##### Lapsing of Appropriations

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

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### T. **Pensions and Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net pension and OPEB liabilities, net OPEB asset, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension expense, information about the fiduciary net position of the pension and 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 systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. The pension and OPEB plans report investments at fair value.

#### NOTE 3: **ACCOUNTABILITY**

The following funds had negative fund balances at June 30, 2021:

	<u>Deficit</u>
<i><u>Nonmajor Special Revenue Funds</u></i>	
Public School Preschool	\$ 31,532
Elementary and Secondary School Emergency IDEA, Part B Special Education, Education of Handicapped Children	1,455,218
Project Head Start	14,770
Title I - Disadvantaged Children/Targeted Assistance	37,906
IDEA Preschool Grant for the Handicapped	480,030
Improving Teacher Quality	3,887
Miscellaneous Federal Grants	45,731
<i>Total Nonmajor Special Revenue Funds</i>	<u>\$ 2,082,867</u>

The fund deficits in the nonmajor special revenue funds resulted from accrued liabilities. The General Fund is liable for the deficits in these funds and will provide operating transfers when cash is required, not when accruals occur.

#### NOTE 4: **CHANGES IN ACCOUNTING PRINCIPLES**

During the fiscal year, the School District implemented the following Governmental Accounting Standards Board (GASB) Statements:

GASB Implementation Guide No. 2019-1 *Update* and Implementation Guide No. 2019-2 *Fiduciary Activities*. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implication that result from the replacement of an IBOR. The implementation of this Statement did not have an effect on the financial statements of the School District.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 4: **CHANGES IN ACCOUNTING PRINCIPLES (CONTINUED)**

GASB Statement No. 84, *Fiduciary Activities*. This Statement 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 fiduciary funds and certain funds will be reported in the new fiduciary fund classification of custodial funds while other funds have been reclassified as governmental funds. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. The objective of this Statement is to establish the term *annual comprehensive financial report* and its acronym *ACFR*. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance.

### NOTE 5: **BUDGETARY BASIS OF ACCOUNTING**

While the School District is reporting financial position, results of operations, and changes in fund balances 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 and Actual (Non-GAAP Budgetary Basis) 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 budgetary basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the fund liability is incurred (GAAP basis).
3. Advances in/out are operating transactions (budget) as opposed to balance sheet transaction (GAAP).
4. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budgetary basis).
5. Encumbrances are treated as expenditures (budgetary basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis).

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

## Euclid City School District

### Notes to the Basic Financial Statements

June 30, 2021

(continued)

#### NOTE 5: **BUDGETARY BASIS OF ACCOUNTING (CONTINUED)**

Net Change in Fund Balance	
GAAP Basis	\$ 12,059,151
Net Adjustments for Revenue Accruals	(245,624)
Net Adjustments for Expenditure Accruals	(233,274)
Advances In	430,759
Advances Out	(2,019,625)
Funds with Separate Legally Adopted Budgets	(32,279)
Adjustment for Encumbrances	(1,303,435)
Budget Basis	\$ 8,655,673

#### NOTE 6: **FUND BALANCE**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned which is 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 constraints placed on the fund balances of the major governmental funds and nonmajor governmental funds are presented below:

Fund Balances	General	Bond Retirement	Building	Classroom Facilities	Nonmajor Funds	Total Governmental Funds
<b><i>Nonspendable</i></b>						
Prepaid Items	\$ 90,966	\$ 57,418	\$ -	\$ -	\$ 163	\$ 148,547
Materials and Supplies Inventory	23,623	-	-	-	-	23,623
Unclaimed Funds	5,440	-	-	-	-	5,440
<b><i>Total Nonspendable</i></b>	<b>120,029</b>	<b>57,418</b>	<b>-</b>	<b>-</b>	<b>163</b>	<b>177,610</b>
<b><i>Restricted for</i></b>						
Classroom Facilities Maintenance	-	-	-	-	2,630,720	2,630,720
Student Managed Activity	-	-	-	-	33,693	33,693
District Managed Activities	-	-	-	-	82,487	82,487
Auxiliary Services	-	-	-	-	223,958	223,958
Student Wellness & Success	-	-	-	-	498,014	498,014
Title III - LEP	-	-	-	-	160	160
Other Grants	-	-	-	-	250,114	250,114
Debt Service	-	13,152,180	-	-	-	13,152,180
Permanent Improvements	-	-	-	-	2,107,643	2,107,643
Buildings	-	-	6,573,017	-	-	6,573,017
Classroom Facilities Projects	-	-	-	5,806,054	-	5,806,054
<b><i>Total Restricted</i></b>	<b>-</b>	<b>13,152,180</b>	<b>6,573,017</b>	<b>5,806,054</b>	<b>5,826,789</b>	<b>31,358,040</b>
<b><i>Committed to</i></b>						
Termination Benefits	56,086	-	-	-	-	56,086
Special Programs	-	-	-	-	23,302	23,302
<b><i>Total Committed</i></b>	<b>56,086</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,302</b>	<b>79,388</b>
<b><i>Assigned to</i></b>						
Property Replacement	-	-	-	-	52,705	52,705
Public School Support	43,331	-	-	-	-	43,331
Instructional Activities	101,617	-	-	-	-	101,617
Supporting Services	858,224	-	-	-	-	858,224
<b><i>Total Assigned</i></b>	<b>1,003,172</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,705</b>	<b>1,055,877</b>
<b><i>Unassigned (Deficit)</i></b>	<b>17,434,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,082,867)</b>	<b>15,351,854</b>
<b>Total Fund Balances</b>	<b>\$ 18,614,008</b>	<b>\$ 13,209,598</b>	<b>\$ 6,573,017</b>	<b>\$ 5,806,054</b>	<b>\$ 3,820,092</b>	<b>\$ 48,022,769</b>



## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 7: **DEPOSITS AND INVESTMENTS**

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

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

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

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

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

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, and Federal Home Loan Mortgage Corporation. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds or other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or division (2) of this section and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Bankers' acceptances and commercial paper, if training requirements have been met.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 7: **DEPOSITS AND INVESTMENTS** (CONTINUED)

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

#### Cash on Hand

At June 30, 2021, the School District had \$10,000 of undeposited cash on hand, which is included on the balance sheet of the School District as part of “Equity in Pooled Cash, Cash Equivalents, and Investments”.

#### Deposits

At June 30, 2021, the carrying amount of the School District’s deposits was \$2,535,471 and the bank balance was \$6,950,697. The School District closely monitors its cash flow requirements and can provide necessary funds to cover any outstanding checks when they become due. \$2,951,483 of the School District’s bank balance was covered by Federal Depository Insurance, \$4,306,374 was uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent but not in the School District’s name. The amount that was uninsured and collateralized with securities was greater than the bank balance due to the excess collateral allocated by OPCS at year end significantly exceeded the required amount. The School District’s financial institution was approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance. Although the securities were held by the pledging institution’s trust department and all statutory requirements for the investments of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

Custodial credit risk is the risk that, in the event of a bank failure, the School District’s deposits or collateral securities may not be returned. The School District’s policy is to place deposits with major local banks approved by the School District’s Board of Education. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with (1) eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State.

#### Investments

The School District has a formal investment policy and utilizes a pooled investment concept for all its funds to maximize its investment program. The objective of the policy shall be the preservation of capital and protection of principal while earning investment interest. STAR Ohio is measured at net asset value (NAV) per share while all other investments are measured at fair value. 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.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 7: **DEPOSITS AND INVESTMENTS** (CONTINUED)

Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

The table presented below identifies the School District's recurring fair value measurement as of June 30, 2021. As previously discussed, Star Ohio is reported at its net asset value. All other investments of the School District are valued using Level 2 inputs.

During fiscal year 2021, the School District has invested the proceeds from previously issued debt that was specifically for the construction of school facilities and other improvements. The proceeds invested are not part of the School District's internal investment pool of funds. The investment of these debt proceeds is separately presented on the financial statements as "Investments" and the earnings on these investments are required to remain with the projects.

Investments at year end were as follows:

Measurement/Investment Type	Internal Investment Pool	Specific Investments for Construction	Total Fair Value of Investments	Investment Maturities (in Years)	Standard & Poor's Rating
<i>Net Asset Value per Share:</i>					
STAR Ohio	\$ 30,130,329	\$ 13,072,996	\$ 43,203,325	< 1	AAAm
First American Government Obligation Fund	91,140	22,637	113,777	< 1	AAAm
<i>Fair Value - Level Two Inputs:</i>					
Negotiable CDs	1,916,524	-	1,916,524	1 - 3.5	N/A
U.S. Government Agency Securities	15,530,871	-	15,530,871	1 - 3.5	AA+
U.S. Treasury Notes	3,711,558	-	3,711,558	1 - 3.5	N/A
Commercial Paper	5,684,907	-	5,684,907	< 1	A-1
<b>Total Investments</b>	<b>\$ 57,065,329</b>	<b>\$ 13,095,633</b>	<b>\$ 70,160,962</b>		

#### Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the School District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and the School District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 7: **DEPOSITS AND INVESTMENTS** (CONTINUED)

#### Credit Risk

The credit risks of the School District's investments are in the table above. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that would further limit its investment choices.

#### Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the 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's investments in money market mutual funds, commercial paper, U.S. Treasury Notes and U.S. Government Agency securities are exposed to custodial credit risk in that it is uninsured, unregistered, and held by the counterparty's trust department or agent but not in the School District's name. The School District's investments in negotiable certificates of deposit were fully covered by Federal Depository Insurance. 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.

#### Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer.

### NOTE 8: **PROPERTY TAXES**

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

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

Public utility property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Public utility real and tangible personal property taxes received in calendar year 2021 became a lien December 31, 2020, were levied after April 1, 2020 and are collected in 2020 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 8: **PROPERTY TAXES (CONTINUED)**

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

The amount available as an advance at June 30, 2021 was \$2,518,436 in the General Fund, \$553,687 in the Bond Retirement Fund, and \$103,447 in the Permanent Improvement Capital Projects Fund. The amount available as an advance at June 30, 2020 was \$2,519,443 in the General Fund, \$441,044 in the Bond Retirement Fund, and \$88,209 in the Permanent Improvement Capital Projects Fund.

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 the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

On the 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 reported as deferred inflows of resources – unavailable revenue. The assessed values upon which fiscal year 2021 taxes were collected are:

	2020 Second Half Collections		2021 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 615,910,150	95.68%	\$ 618,469,070	95.33%
Public Utility	27,795,980	4.32%	30,293,700	4.67%
Totals	\$ 643,706,130	100.00%	\$ 648,762,770	100.00%
 Tax Rate per \$1,000 of Assessed Valuation	\$ 97.12		\$ 105.32	

#### NOTE 9: **SCHOOL DISTRICT INCOME TAXES**

Euclid School District is the only school district in the State of Ohio with an enacted shared City/School income tax. The shared income tax, enacted in 1994, is a 0.85 percent voted income tax of which 0.47 percent is for the School District and 0.38 percent for the City of Euclid. Employers are required to withhold income tax on compensation and remit the tax to the City of Euclid. Taxpayers are required to file an annual return with the City of Euclid. The City makes monthly distributions to the School District after withholding amounts for administrative fees and estimated refunds. School District income tax revenue is credited to the General Fund.

**Euclid City School District**

*Notes to the Basic Financial Statements  
June 30, 2021  
(continued)*

**NOTE 10: RECEIVABLES**

Receivables at June 30, 2021 consisted of property taxes, income taxes, a lease, compensation payments from a TIF agreement, accounts (rent, billings for user charged services, and student fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. The Ohio Facilities Construction Commission (OFCC) receivable in the amount of \$2,256,145 represents the School District’s agreement with OFCC for the School Building construction projects as identified in Note 12 – Significant Contractual Commitments.

A summary of the principal items of intergovernmental receivables follows:

	Governmental Activities	Business-Type Activities
ROTC Grant	\$ 64,866	\$ -
Wickliffe School District	32,800	-
Medicaid	12,377	-
Parent Mentor Project	265	-
Special Education, Part B - IDEA	13,310	-
Title I	649,594	-
IDEA Early Childhood Special Education	8,163	-
Improving Teacher Quality	58,257	-
Title IV	15,945	-
Auxiliary Services	176,585	-
SERS True-up	291,216	-
State Foundation Adj.	38,699	-
National School Lunch Program	-	69,381
TIF	40,553	-
Ohio Facilities Construction Commission	2,256,145	-
Bureau of Workers Compensation	33,144	-
Other	56,190	-
Total Intergovernmental Receivables	\$ 3,748,109	\$ 69,381

## Euclid City School District

### Notes to the Basic Financial Statements June 30, 2021 (continued)

#### NOTE 11: CAPITAL ASSETS

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

	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021
<b><u>Governmental Activities</u></b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 2,340,558	\$ -	\$ -	\$ 2,340,558
Intangible Asset	44,393	-	-	44,393
Construction in Progress	84,787,370	25,711,567	-	110,498,937
<i>Total Capital Assets, not being depreciated</i>	<u>87,172,321</u>	<u>25,711,567</u>	<u>-</u>	<u>112,883,888</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	20,120,921	-	(443,931)	19,676,990
Buildings and Improvements	116,290,071	-	(7,521,397)	108,768,674
Furniture and Equipment	4,076,455	335,712	(543,428)	3,868,739
Vehicles	418,002	12,800	-	430,802
<i>Total Capital Assets, being depreciated</i>	<u>140,905,449</u>	<u>348,512</u>	<u>(8,508,756)</u>	<u>132,745,205</u>
Less Accumulated Depreciation:				
Land Improvements	(5,581,499)	(924,359)	304,060	(6,201,798)
Buildings and Improvements	(37,731,060)	(2,228,182)	6,809,717	(33,149,525)
Furniture and Equipment	(2,501,379)	(403,890)	542,075	(2,363,194)
Vehicles	(307,714)	(23,360)	-	(331,074)
Total Accumulated Depreciation	<u>(46,121,652)</u>	<u>(3,579,791)</u>	<u>7,655,852</u>	<u>(42,045,591)</u>
<b>Total Capital Assets being depreciated, Net</b>	<u>94,783,797</u>	<u>(3,231,279)</u>	<u>(852,904)</u>	<u>90,699,614</u>
<b>Governmental Activities' Capital Assets, Net</b>	<u>\$ 181,956,118</u>	<u>\$ 22,480,288</u>	<u>\$ (852,904)</u>	<u>\$ 203,583,502</u>
<b><u>Business-Type Activities</u></b>				
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	\$ 12,000	\$ -	\$ (6,000)	\$ 6,000
Furniture and Equipment	876,028	-	(28,719)	847,309
Vehicles	31,512	-	-	31,512
<i>Total Capital Assets, being depreciated</i>	<u>919,540</u>	<u>-</u>	<u>(34,719)</u>	<u>884,821</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(3,750)	(225)	1,950	(2,025)
Furniture and Equipment	(441,275)	(50,614)	24,220	(467,669)
Vehicles	(1,970)	(3,939)	-	(5,909)
Total Accumulated Depreciation	<u>(446,995)</u>	<u>(54,778)</u>	<u>26,170</u>	<u>(475,603)</u>
<b>Business-Type Activities' Capital Assets, Net</b>	<u>\$ 472,545</u>	<u>\$ (54,778)</u>	<u>\$ (8,549)</u>	<u>\$ 409,218</u>

## Euclid City School District

### Notes to the Basic Financial Statements

June 30, 2021

(continued)

#### NOTE 11: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to the governmental functions as follows:

Instruction:		
Regular	\$	3,139,189
Support Services:		
Instructional Staff		141,924
Board of Education		61,300
Administration		28,830
Operation and Maintenance of Plant		87,613
Pupil Transportation		6,347
Central		112,492
Operation of Non-Instructional Services:		
Community Services		1,111
Extracurricular Activities		985
Total Depreciation Expense	\$	3,579,791

#### NOTE 12: SIGNIFICANT CONTRACTUAL COMMITMENTS

The School District is undertaking several school facilities construction projects relating to segment two of the School District's project agreement with the Ohio Facilities Construction Commission. Below is a listing of significant outstanding contractual commitments at fiscal year-end:

	Contract Amount	Amount Expended	Balance 6/30/2021
Early Learning Village: Then Design Architecture, Ltd	\$ 988,611	\$ (974,232)	\$ 14,379
High School/Middle School: Hammond Construction	3,762,223	(2,349,524)	1,412,699
High School - North Wing: The Brewer Garrett Company	12,428,713	(12,402,812)	25,901
EA Group	2,100	(1,975)	125
	12,430,813	(12,404,787)	26,026
<b>Total Building Fund</b>	<b>\$ 17,181,647</b>	<b>\$ (15,728,543)</b>	<b>\$ 1,453,104</b>
High School/Middle School: Hammond Construction	\$ 93,307,186	\$ (83,905,043)	\$ 9,402,143
Then Design Architecture, Ltd	8,146,439	(7,381,845)	764,594
The Brewer Garrett Company	267,850	(223,655)	44,195
<b>Total Classroom Facilities Fund</b>	<b>\$ 101,721,475</b>	<b>\$ (91,510,543)</b>	<b>\$ 10,210,932</b>



# Euclid City School District

## Notes to the Basic Financial Statements June 30, 2021 (continued)

### NOTE 13: LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2021 were as follows:

	Balance Outstanding 6/30/2020	Additions	Deletions	Balance Outstanding 6/30/2021	Amounts Due in One Year
<b><u>Governmental Activities</u></b>					
<i>General Obligation Bonds</i>					
<i>Energy Conservation Bonds:</i>					
Series 2009 - \$1,253,000 - 5.25%	\$ 434,400	\$ -	\$ (100,200)	\$ 334,200	\$ 105,600
<i>Classroom Facilities and School Improvement Bonds, Series 2010:</i>					
Sinking Fund Bonds - \$15,165,000 - 1.85%	7,965,000	-	(1,265,000)	6,700,000	1,290,000
<i>Classroom Facilities and School Improvement Refunding Bonds, Series 2014:</i>					
Serial Bonds - \$9,575,000 - 1.00-4.00%	9,225,000	-	(75,000)	9,150,000	75,000
Term Bonds - \$11,815,000 - 3.50-3.625%	11,815,000	-	-	11,815,000	-
Capital Appreciation Bonds - \$9,996 - 41.48%	9,996	-	-	9,996	-
Accretion on Capital Appreciation Bonds	79,301	40,882	-	120,183	-
Unamortized Bond Premium	710,905	-	(39,495)	671,410	-
Unamortized Bond Discount	(416,495)	-	23,138	(393,357)	-
<i>Classroom Facilities and School Improvement Bonds, Series 2017:</i>					
Serial Bonds - \$22,375,000 - 2.00-5.00%	21,825,000	-	(195,000)	21,630,000	380,000
Term Bonds - \$73,195,000 - 3.00-5.25%	73,165,000	-	(10,000)	73,155,000	10,000
Capital Appreciation Bonds - \$219,994 - 29.988-30.00%	219,994	-	-	219,994	-
Accretion on Capital Appreciation Bonds	335,423	179,093	-	514,516	-
Unamortized Bond Premium	5,574,525	-	(163,956)	5,410,569	-
Unamortized Bond Discount	(1,164,114)	-	34,239	(1,129,875)	-
<i>Total General Obligation Bonds</i>	<u>129,778,935</u>	<u>219,975</u>	<u>(1,791,274)</u>	<u>128,207,636</u>	<u>1,860,600</u>
<i>Other Long-Term Obligations</i>					
<i>Certificates of Participation -</i>					
Series 2019 - \$12,500,000 - 3.00-4.00%	12,500,000	-	-	12,500,000	-
Unamortized Premium	995,433	-	(25,307)	970,126	-
<i>Permanent Improvement Tax Anticipation -</i>					
\$4,185,000 - 3.15%	1,395,000	-	(450,000)	945,000	465,000
Claims	1,464,233	7,769,014	(8,291,617)	941,630	941,630
Compensated Absences	2,132,858	710,538	(687,114)	2,156,282	729,201
Capital Lease - Copiers	6,449	306,710	(43,981)	269,178	58,155
<i>Total Other Long-Term Obligations</i>	<u>18,493,973</u>	<u>8,786,262</u>	<u>(9,498,019)</u>	<u>17,782,216</u>	<u>2,193,986</u>
<i>Net Pension Liability (See Note 16):</i>					
STRS	63,162,554	2,542,671	-	65,705,225	-
SERS	17,128,454	-	(131,363)	16,997,091	-
<i>Total Net Pension Liability</i>	<u>80,291,008</u>	<u>2,542,671</u>	<u>(131,363)</u>	<u>82,702,316</u>	<u>-</u>
<i>Net OPEB Liability (See Note 17):</i>					
SERS	7,316,951	-	(1,549,094)	5,767,857	-
<b>Total Governmental Activities</b>					
<b>Long-Term Liabilities</b>	<u>\$ 235,880,867</u>	<u>\$ 11,548,908</u>	<u>\$ (12,969,750)</u>	<u>\$ 234,460,025</u>	<u>\$ 4,054,586</u>
<b><u>Business-Type Activities</u></b>					
Compensated Absences	\$ 20,848	\$ 2,786	\$ (9,097)	\$ 14,537	\$ 6,409
<i>Net Pension Liability (See Note 16):</i>					
SERS	1,814,739	-	(13,918)	1,800,821	-
<i>Net OPEB Liability (See Note 17):</i>					
SERS	775,222	-	(164,125)	611,097	-
<b>Total Business-Type Activities</b>					
<b>Long-Term Liabilities</b>	<u>\$ 2,610,809</u>	<u>\$ 2,786</u>	<u>\$ (187,140)</u>	<u>\$ 2,426,455</u>	<u>\$ 6,409</u>

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 13: LONG-TERM OBLIGATIONS (CONTINUED)

#### General Obligation Bonds

In 2009, the School District issued \$1,253,000 in energy conservation improvement bonds for a fifteen-year period. The bonds were issued to retire \$1,338,000 in bond anticipation notes that were provided to pay the costs of installations, modifications, and remodeling of school buildings to conserve energy. The bonds will be retired from the Bond Retirement Fund with transfers from the General Fund.

In 2010, the School District issued \$40,299,828 in voted general obligation bonds which comprised of serial, capital appreciation (deep discount), term, and sinking fund bonds in the amount of \$3,235,000, \$499,828, \$21,400,000 and \$15,165,000, respectively. The general obligation bonds were issued for the purpose of building four new elementary school buildings within the Euclid City Schools system. The bonds were issued with a twenty-eight-year period with final maturity on January 15, 2038. As discussed in further detail later, the serial, capital appreciation and term bonds were refunded in fiscal year 2015. The sinking fund bonds remained outstanding at June 30, 2020. The Bond Retirement Fund will fund the annual debt service requirements on these bonds.

\$15,165,000 of the bonds issued on March 4, 2010, consisted of Qualified School Construction Bonds (QSCBs). The QSCBs were authorized by the federal government through the ARRA. These bonds were issued as tax credit bonds under which the bond holders receive federal tax credits in lieu of interest as a means to significantly reduce the issuer's interest cost.

On September 10, 2014, the School District issued term bonds of \$11,815,000 with interest rates ranging from 3.50-3.625 percent; serial bonds of \$9,575,000 with interest rates ranging from 1.00-4.00 percent; and capital appreciation bonds of \$9,996 with an interest rate of 41.48 percent to currently refund the BAB portion of the Classroom Facilities and School Improvement Bonds, Series 2010. The net proceeds from the issuance of the refunding bonds of \$21,532,802 and the School District's contribution of \$181,196 were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide the debt service requirements until the BABs were called. The current refunding met the requirements of an in-substance debt defeasance and the BABs were removed from the School District's government-wide financial statements. The BABs were called on October 10, 2014, and there is no outstanding balance.

As a result of the current refunding, the School District reduced its total debt service requirements by \$1,455,686, which resulted in an economic gain of (difference between the present value of the debt service payments on the old and new debt) of \$997,026.

## Euclid City School District

### Notes to the Basic Financial Statements

June 30, 2021

(continued)

#### NOTE 13: LONG-TERM OBLIGATIONS (CONTINUED)

##### General Obligation Bonds (Continued)

The QCSBs maturing January 15, 2026 are subject to extraordinary mandatory redemption and extraordinary optional redemption requirements on January 15 in the years (mandatory sinking fund dates) and in respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 1,290,000
2023	1,315,000
2024	1,340,000
2025	1,370,000
2026	1,385,000
Total	<u>\$ 6,700,000</u>

On March 8, 2017, the School District issued \$86,679,994 in voted general obligation bonds which comprised of serial, capital appreciation (deep discount) and term bonds in the amount of \$15,335,000, \$219,994 and \$71,125,000, respectively. The general obligation bonds were issued for the purpose of building and improving facilities of the School District. The bonds were issued with a thirty-seven-year period with final maturity on January 15, 2054. The Bond Retirement Fund will fund the annual debt service requirements on these bonds.

On March 22, 2017, the School District issued \$9,110,000 in voted general obligation bonds which is comprised of serial and term bonds in the amount of \$7,040,000 and \$2,070,000, respectively. The general obligation bonds were issued for the purpose of retiring short-term bond anticipation notes that matured on April 4, 2017. The bonds were issued with a twenty-nine-year period with final maturity on January 15, 2046. The Bond Retirement Fund will fund the annual debt service requirements on these bonds.

##### Certificates of Participation

On September 5, 2019, the School District issued \$12,500,000 in Certificates of Participation (COPs) with coupon rates ranging from 3.00 percent to 4.00 percent and maturing on December 1, 2049. The COPs were issued for the purpose of renovating the north wing of the High School.

The School District has the option to purchase any or all of the rights in the leased property by paying the amount necessary to cause all lease payments to be paid or deemed paid. In the event of a default, as defined by the lease agreement, the lessor may retake possession of the leased property at the School District's expense. The lessor also has the option to sell or lease the lessor's interest in the leased property, or sublease the leased property, holding the School District liable for all applicable lease payments and other payments due during the then-current fiscal year to the effective date of such sale, lease, or sublease and for the difference between the purchase price, rental and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease and the amounts payable by the School District under to the lease during the then-current fiscal year.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 13: LONG-TERM OBLIGATIONS (CONTINUED)

##### Tax Anticipation Notes

In 2012, the School District issued \$4,185,000 in long-term payable notes to provide for various capital renovations of the school buildings and other School District improvements. These notes will be paid off over a ten-year period of time.

##### Other Obligations

Compensated absences will be paid from the General Fund and Food Service enterprise fund. See Note 18 for further details on the School District's liability for claims. The net pension and OPEB liabilities recorded on the government-wide financial statements are further explained in Notes 16 and 17, respectively. There are no repayment schedules for the net pension and OPEB liabilities; however, employer pension and OPEB contributions are made from the School District's funds that record the respective salaries and wages. For the School District, this would mainly be from the General Fund, the Food Service Fund and to a smaller extent various special revenue grant funds that have personnel costs.

##### Legal Debt Margin

At June 30, 2021, the School District's overall legal debt margin was \$0 with an unvoted debt margin of \$648,763. Section 133.06(I) of the Ohio Revised Code permits a school district to incur net indebtedness in excess of the 9.0 percent limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Ohio Revised Code. Since the School District entered into a project under Chapter 3318 of the Ohio Revised Code, this exception was included during the calculation of the overall legal debt margin.

Principal and interest requirements to retire the general obligation debt outstanding at June 30, 2021 are as follows:

Fiscal Year Ending June 30,	Permanent Improvement Tax Anticipation Note		Certificates of Participation		General Obligation Bonds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 465,000	\$ 22,444	\$ -	\$ 466,450	\$ 1,860,600	\$ 5,156,882	\$ 2,325,600	\$ 5,645,776
2023	480,000	7,560	-	466,450	2,131,300	5,141,414	2,611,300	5,615,424
2024	-	-	265,000	461,150	2,757,300	5,117,738	3,022,300	5,578,888
2025	-	-	280,000	450,250	2,910,000	5,081,709	3,190,000	5,531,959
2026	-	-	290,000	438,850	1,600,141	6,402,618	1,890,141	6,841,468
2027-2031	-	-	1,630,000	2,007,250	13,694,849	25,420,831	15,324,849	27,428,081
2032-2036	-	-	1,980,000	1,647,650	20,075,000	19,648,032	22,055,000	21,295,682
2037-2041	-	-	2,405,000	1,210,350	18,205,000	15,529,452	20,610,000	16,739,802
2042-2046	-	-	2,930,000	682,025	18,690,000	11,255,740	21,620,000	11,937,765
2047-2051	-	-	2,720,000	166,200	23,920,000	6,831,990	26,640,000	6,998,190
2052-2054	-	-	-	-	17,170,000	1,613,517	17,170,000	1,613,517
	<u>\$ 945,000</u>	<u>\$ 30,004</u>	<u>\$ 12,500,000</u>	<u>\$ 7,996,625</u>	<u>\$ 123,014,190</u>	<u>\$ 107,199,923</u>	<u>\$ 136,459,190</u>	<u>\$ 115,226,552</u>

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 14: **CAPITALIZED LEASE – LEASEE DISCLOSURE**

In fiscal year 2021, the School District entered into a capitalized lease for copiers in the amount of \$306,710. This represents the present value of the minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2021, was \$61,300, leaving a current book value of \$245,202. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2020 totaled \$37,532 paid by the General Fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of June 30, 2021:

Fiscal Year Ending	Amount
2022	\$ 67,608
2023	67,608
2024	67,608
2025	67,608
2026	22,536
Total	292,968
Less: Amount representing interest	(23,790)
Total	<u>\$ 269,178</u>

#### NOTE 15: **OTHER EMPLOYEE BENEFITS**

##### A. **Compensated Absences**

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Clerical, technical, and maintenance and operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year. Teachers do not earn vacation.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 40 to 60 days based on the collective bargaining agreements.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 16: 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.

**Euclid City School District**

*Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

**NOTE 16: PENSION PLANS (CONTINUED)**

**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](http://www.ohsers.org) under Employers/Audit Resources. Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit Age 65 with 5 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary. An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0.0%.

**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 the entire 14.0 percent.

The School District’s contractually required contribution to SERS was \$1,287,272 for fiscal year 2020. Of this amount \$38,562 is reported as an intergovernmental payable.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 16: PENSION PLANS (CONTINUED)

#### 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](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined 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 will be 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 years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit 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. Investment allocation decisions are determined by the member. 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, 12.0 of the 14.0 percent member rates goes to the DC Plan and the remaining 2.0 percent goes 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 services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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 in the GASB 68 schedules of employer allocation and pension amounts by employer.



**Euclid City School District**

*Notes to the Basic Financial Statements*

June 30, 2021

(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

**C. Plan Description - State Teachers Retirement System (STRS) (Continued)**

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. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, 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. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 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 contributions to STRS was \$4,551,741 for fiscal year 2021. Of this amount \$1,026,683 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>
Proportion of the Net Pension Liability			
Prior Measurement Date	0.3166077%	0.28561732%	
Proportion of the Net Pension Liability			
Current Measurement Date	<u>0.2842049%</u>	<u>0.27154912%</u>	
Change in Proportionate Share	<u>-0.0324028%</u>	<u>-0.01406820%</u>	
Proportionate Share of the Net Pension			
Liability	\$ 18,797,912	\$ 65,705,225	\$ 84,503,137
Pension Expense	\$ 968,499	\$ 6,293,480	\$ 7,261,979

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 16: **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
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 36,514	\$ 147,425	\$ 183,939
Changes of assumptions	-	3,527,100	3,527,100
Net difference between projected and actual earnings on pension plan investments	1,193,286	3,195,252	4,388,538
School District contributions subsequent to the measurement date	1,287,272	4,551,741	5,839,013
Total Deferred Outflows of Resources	\$ 2,517,072	\$ 11,421,518	\$ 13,938,590
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ -	\$ 420,142	\$ 420,142
Changes in proportion and differences between School District contributions and proportionate share of contributions	1,315,824	5,028,648	6,344,472
Total Deferred Inflows of Resources	\$ 1,315,824	\$ 5,448,790	\$ 6,764,614

\$5,839,013 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:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ (881,546)	\$ (140,373)	\$ (1,021,919)
2023	(75,469)	(160,395)	(235,864)
2024	870,991	860,182	1,731,173
2025	-	861,573	861,573
Total	\$ (86,024)	\$ 1,420,987	\$ 1,334,963

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 16: **PENSION PLANS (CONTINUED)**

##### 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:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

The mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120% of male rates and 110% of female rates is used to evaluate allowances to be paid. The RP-2000 Disabled Mortality Table with 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.

## Euclid City School District

### Notes to the Basic Financial Statements

June 30, 2021

(continued)

#### NOTE 16: PENSION PLANS (CONTINUED)

##### E. Actuarial Assumptions – SERS (Continued)

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

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

**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.

**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	Current	1% Increase
	(6.50%)	Discount Rate (7.50%)	(8.50%)
School District's proportionate share of the net pension liability	\$ 25,750,843	\$ 18,797,912	\$ 12,964,269

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 16: **PENSION PLANS (CONTINUED)**

***Changes since measurement date*** 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 continuing emergency measures may impact subsequent periods of SERS, including the fair value of SERS' investment portfolio. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that may be recognized in subsequent periods cannot be determined with half of the fiscal year remaining. In addition, the impact on SERS' future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

At its September meeting 2020, the Board unanimously voted to approve a 0.5% cost-of-living adjustment (COLA) increase for eligible retirees and beneficiaries in 2021. Previously, COLAs were suspended from 2018 through 2020.

#### F. **Actuarial Assumptions – STRS**

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

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	7.45 percent
Cost-of-Living Adjustments	0.0 percent

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

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

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board.

## Euclid City School District

### *Notes to the Basic Financial Statements*

June 30, 2021

(continued)

#### NOTE 16: PENSION PLANS (CONTINUED)

##### F. Actuarial Assumptions – STRS (Continued)

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
Total	100.00 %	

\* 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	\$ 93,552,801	\$ 65,705,225	\$ 42,106,723

**Euclid City School District**

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

NOTE 16: **PENSION PLANS (CONTINUED)**

G. **Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2021, one member of the Board of Education had elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 17: **POST-EMPLOYMENT BENEFITS**

A. **Net Other Post-Employment Benefits (OPEB) Liability/Asset**

The net OPEB liability and net OPEB asset reported on the statement of net position represents a liability or 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 and net OPEB asset represent 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 and net OPEB asset calculations are 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 and net OPEB asset. Resulting adjustments to the net OPEB liability and net OPEB 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.

## Euclid City School District

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

### NOTE 17: **POST-EMPLOYMENT BENEFITS (CONTINUED)**

The proportionate share of each plan's unfunded benefits is presented as a 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)**

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

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

***Funding Policy*** - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, there was no contribution made to health care. A 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.



**Euclid City School District**

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

**NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)**

The surcharge is the total amount assigned to the Health Care Fund. The School District’s contractually required contribution to SERS was \$166,717 for fiscal year 2021. This amount 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. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

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

**D. OPEB Liabilities, OPEB Asset, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability/Asset Prior Measurement Date	0.32178330%	0.28561732%	
Proportion of the Net OPEB Liability/Asset Current Measurement Date	<u>0.29351100%</u>	<u>0.27154912%</u>	
Change in Proportionate Share	<u>-0.02827230%</u>	<u>-0.01406820%</u>	
Proportionate Share of the Net OPEB Liability / (Asset)	\$ 6,378,954	\$ (4,772,470)	\$ 1,606,484
OPEB Expense	\$ (319,732)	\$ (477,120)	\$ (796,852)

**Euclid City School District**

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

**NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)**

**D. OPEB Liabilities, OPEB Asset, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

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>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 83,781	\$ 305,801	\$ 389,582
Changes of assumptions	1,087,389	78,780	1,166,169
Net difference between projected and actual earnings on pension plan investments	71,874	167,260	239,134
Changes in proportionate and differences between contributions and proportionate share of contributions	89,038	-	89,038
School District contributions subsequent to the measurement date	166,717	-	166,717
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 1,498,799</u></b>	<b><u>\$ 551,841</u></b>	<b><u>\$ 2,050,640</u></b>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ 3,244,144	\$ 950,609	\$ 4,194,753
Changes of assumptions	160,672	4,533,052	4,693,724
Changes in proportionate and differences between contributions and proportionate share of contributions	868,034	647,779	1,515,813
<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 4,272,850</u></b>	<b><u>\$ 6,131,440</u></b>	<b><u>\$ 10,404,290</u></b>

\$166,717 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 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:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2022	\$ (574,768)	\$ (1,425,743)	\$ (2,000,511)
2023	(569,566)	(1,312,529)	(1,882,095)
2024	(632,850)	(1,272,813)	(1,905,663)
2025	(721,913)	(1,104,824)	(1,826,737)
2026	(326,052)	(229,796)	(555,848)
Thereafter	(115,619)	(233,894)	(349,513)
<b>Total</b>	<b><u>\$ (2,940,768)</u></b>	<b><u>\$ (5,579,599)</u></b>	<b><u>\$ (8,520,367)</u></b>

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 17: **POST-EMPLOYMENT BENEFITS (CONTINUED)**

##### 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.

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

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

**Euclid City School District**

*Notes to the Basic Financial Statements*  
*June 30, 2021*  
*(continued)*

**NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)**

**E. Actuarial Assumptions – SERS (Continued)**

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.

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 %
US Stocks	22.50	5.75
Non-US Stocks	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	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, 2020 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.

**Euclid City School District**

*Notes to the Basic Financial Statements  
June 30, 2021  
(continued)*

**NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)**

**E. Actuarial Assumptions – SERS (Continued)**

Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45 percent, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

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

	1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
School District's proportionate share of the net OPEB liability	\$ 7,807,682	\$ 6,378,954	\$ 5,243,119

	1% Decrease (6.00 % decreasing to 3.75 %)	Current Trend Rate (7.00 % decreasing to 4.75 %)	1% Increase (8.00 % decreasing to 5.75 %)
School District's proportionate share of the net OPEB liability	\$ 5,022,941	\$ 6,378,954	\$ 8,192,291

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 continuing emergency measures may impact subsequent periods of SERS, including the fair value of SERS' investment portfolio. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that may be recognized in subsequent periods cannot be determined with half of the fiscal year remaining. In addition, the impact on SERS' future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Euclid City School District**

*Notes to the Basic Financial Statements  
June 30, 2021  
(continued)*

**NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)**

**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 is presented below:

Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	
Payroll Increases	3 percent	
Discount Rate of Return	7.45 percent	
Health Care Cost Trends	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	
Medicare	11.87 percent	4.00 percent

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

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

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

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board.

**Euclid City School District**

*Notes to the Basic Financial Statements*

June 30, 2021

(continued)

**NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)**

**F. Actuarial Assumptions – STRS (Continued)**

The target allocation and long-term expected rate of return for each major asset class are summarized as follow:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return *</u>
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
<b>Total</b>	<b>100.00 %</b>	

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

**Discount Rate** - The discount rate used to measure the total OPEB asset was 7.45 percent as of June 30, 2019. 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. Therefore, the long-term expected rate of return on health care investments of 7.45 percent was used to measure the total OPEB asset 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 if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
	School District's proportionate share of the net OPEB asset	\$ 4,152,361	\$ 4,772,470

	1% Decrease	Current Trend Rate	1% Increase
	School District's proportionate share of the net OPEB asset	\$ 5,265,954	\$ 4,772,470

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 18: **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 Company for fleet and liability insurance, boiler and machinery, property and inland marine coverage. Coverages provided were as follows:

Building, Contents, Boiler and Machinery Contents (\$5,000 deductible)	\$	283,083,661
Crime Insurance (\$1,000 deductible)		1,000,000
Automobile Liability (\$1,000 Comprehensive deductible/ \$1,000 Collision deductible)		1,000,000
Uninsured Motorists		500,000
General Liability (per occurrence)		1,000,000
General Liability (total per year)		2,000,000
Commercial Umbrella Limit		10,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change from prior year's coverage.

##### B. **Self-Insurance Program**

The self-insurance program for health care has been administered by Medical Mutual of Ohio since January, 2001. Medical Mutual of Ohio began administering the program in January, 2001. Payments are made to Medical Mutual of Ohio for the actual amount of claims processed, monthly stop-loss premiums, and administrative charges. Operating revenues of the fund consist of payments from other funds and are based on self-insurance losses, policy stop-loss premiums, and other operating expenses. The claims liability of \$927,696 reported in the fund at June 30, 2021 was estimated by the third-party administrator and is based on the requirements of GASB Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported.

The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses (GASB Statement No. 30). Changes in the fund's claims liability amount for the fiscal years ended June 30, 2021 and 2020 were:

	Beginning of Year	Current Year Claims	Claim Payments	End of Year
June 30, 2020	\$ 1,314,479	\$ 8,488,206	\$ (8,345,183)	\$ 1,457,502
June 30, 2021	1,457,502	7,769,014	(8,284,886)	941,630



**Euclid City School District**

*Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

**NOTE 18: RISK MANAGEMENT (CONTINUED)**

**C. Workers' Compensation Program**

The School District participates in the State Workers' Compensation group retrospective rating and payment system. The plan involves the payment of a minimum premium for administrative services and stop loss coverage plus the actual claim costs for employees injured from 2004 through 2011. The program for workers' compensation is administered by Comp Management Inc. Payments are made directly to the Ohio Bureau of Workers' Compensation for actual claims processed. Operating revenues of the fund consist of payments from other funds and earnings on the investing of these funds that are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

Changes in the fund's current claims liability amount for the fiscal years ended June 30, 2021 and 2020 were:

	Beginning of Year	Current Year Claims	Claim Payments	End of Year
June 30, 2020	\$ 15,671	\$ 325,758	\$ (334,698)	\$ 6,731
June 30, 2021	6,731	144,974	(151,705)	-

For fiscal year 2021, the School District participated in the Ohio SchoolComp Group Retrospective Rating Program, which is administered by Comp Management, a third-party administrator. The Group Retrospective Rating Program offers an opportunity for school districts that may not qualify for Group Rating or only qualify for a low discount and have an increased emphasis on safety and claims management. Through the program, school districts are grouped together to achieve premium refunds based on the performance of the group. However, school districts continue to pay their own individual merit-rated premium to the Ohio BWC and depending on the performance, the participating school districts can receive either a retrospective premium refund or assessment (maximum assessment selected per group). Retrospective refunds are achieved when the standard premium of the group exceeds the developed claims costs.

**NOTE 19: JOINTLY GOVERNED ORGANIZATIONS**

Ohio Schools' Council Association (Council) – The Council is a jointly governed organization among 249 members in 34 counties. The jointly governed organization was created by school districts for the specific purpose of saving dollars through volume purchases. Each school 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 meets monthly September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 19: **JOINTLY GOVERNED ORGANIZATIONS (CONTINUED)**

In fiscal year 2021, the School District paid \$8,535 to the Council. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Constellation New Energy (formerly Compass Energy) has been selected as the supplier and program manager. There are currently more than 170 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). School Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and school districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

#### NOTE 20: **RELATED ORGANIZATION**

*Euclid Public Library* – The Euclid 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 Euclid City School District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Library's Board of Trustees. Financial information can be obtained from the Euclid Public Library at 631 East 222<sup>nd</sup> Street, Euclid, Ohio 44123.

#### NOTE 21: **CONTINGENCIES**

##### A. **Grants**

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

##### B. **Litigation**

The School District is not party to legal proceedings.

## Euclid City School District

### Notes to the Basic Financial Statements

June 30, 2021

(continued)

#### NOTE 21: CONTINGENCIES (CONTINUED)

##### C. State Foundation Funding

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. As of the date of this report, all ODE adjustments for fiscal year 2021 are finalized.

#### NOTE 22: INTERFUND TRANSACTIONS

##### A. Due from/to Other Funds

On June 30, 2021, interfund balances on fund financial statements consist of the following:

	Receivable	Payable
<i><u>Major Governmental Fund</u></i>		
General Fund	\$ 2,019,625	\$ -
Classroom Facilities Fund		85,000
<i><u>Nonmajor Governmental Funds</u></i>		
Special Revenue Funds	-	1,934,625
<b>Total Due from/to Other Funds</b>	<b>\$ 2,019,625</b>	<b>\$ 2,019,625</b>

Monies were advanced from the general fund to various nonmajor governmental funds to cover operating expenditures until additional monies are received. These interfund balances will be repaid once the anticipated revenues are received.

##### B. Interfund Transfers

On June 30, 2021, interfund transfers on fund financial statements consist of the following:

	Transfers In	Transfers Out
<i><u>Major Governmental Funds</u></i>		
General	\$ -	\$ 316,258
Bond Retirement	120,376	315,198
<i>Total Major Governmental Funds</i>	120,376	631,456
<i><u>Nonmajor Governmental Funds</u></i>		
Special Revenue Funds	185,882	-
Capital Projects Funds	315,198	-
<i>Total Nonmajor Governmental Funds</i>	501,080	-
<i><u>Nonmajor Proprietary Funds</u></i>		
Enterprise Fund	10,000	-
<b>Total Interfund Transfers</b>	<b>\$ 631,456</b>	<b>\$ 631,456</b>

**Euclid City School District**

*Notes to the Basic Financial Statements*

June 30, 2021

(continued)

NOTE 22: **INTERFUND TRANSACTIONS (CONTINUED)**

**B. Interfund Transfers**

Transfers were made to provide additional resources for current operations. The interfund transfers between governmental activities were eliminated on the entity-wide financial statements. The debt service fund transferred \$315,198 to the capital projects fund for payment of the tax anticipation notes.

NOTE 23: **SET-ASIDE REQUIREMENTS**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2021, only the unspent portion of certain workers' compensation refunds continues to be a required set-aside. As a result of the implementation of GASB Statement No. 54, the School District's budget stabilization amount has been classified as unassigned fund balance. This fund balance classification is necessary since the School District does not provide specific circumstances and these circumstances could occur routinely. The following cash basis information describes the changes in the fiscal year end set-aside amounts for capital acquisition and budget stabilization. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-Aside Constraint Balance as of June 30, 2020	\$ -	\$ 476,511
Current Year Set-Aside Requirements	823,104	-
Qualifying Disbursements	(613,515)	-
Current Year Offsets:		
Permanent Improvement Levy-related Proceeds	(920,479)	-
Totals	(710,890)	476,511
Set-Aside Balance Carried Forward to Future Fiscal Years	\$ -	\$ 476,511
Set-Aside Constraint Balance as of June 30, 2021	\$ -	\$ 476,511

Although the School District had qualifying disbursements or current year offsets during the year that reduced the capital improvements set-aside amount below zero, these extra amounts may not be used to reduce the set-aside requirement in future fiscal years.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 24: **OTHER COMMITMENTS**

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2021, the School District's commitments for encumbrances in the governmental funds were as follows:

	Encumbrances Outstanding
<i>Major Governmental Funds</i>	
General	\$ 959,841
Building	3,995,739
Classroom Facilities	9,279,135
<i>Nonmajor Governmental Funds</i>	
Special Revenue Funds	1,288,901
Capital Project Fund	676,310
<b>Total Encumbrances Outstanding</b>	<b>\$ 16,199,926</b>

#### NOTE 25: **TAX ABATEMENTS**

As of June 30, 2021, the School District had forgone tax revenue in the form of property taxes as a result of tax abatement agreements entered into by another government (the City of Euclid). The City provides tax abatements through Community Reinvestment Area programs. Pursuant to Ohio Revised Code Chapter 5709, the City established six Community Reinvestment Area Program districts targeting specific portions of the City for development and redevelopment. The City provides administrative approval of tax abatement for qualifying investments. The amount of the abatement is deducted from the recipient's property tax bill. For fiscal year 2021, the School District's value of the property taxes forgone amounted to \$2,452,006 (tax year 2020).

#### NOTE 26: **COVID-19**

The financial impact of COVID-19 and the continuing emergency measures may impact the subsequent periods of the School District. 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 27: **RESTATEMENT OF FUND BALANCE**

Other Governmental Funds Fund Balances, Beginning of Year was restated from \$4,720,077 to \$3,325,077 to reflect the fund liability for the Tax Anticipation Notes Payable in the amount of \$1,395,000.

## Euclid City School District

### *Notes to the Basic Financial Statements*

*June 30, 2021*

*(continued)*

#### NOTE 28: **SUBSEQUENT EVENTS**

For fiscal year 2022, School District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school and scholarship funding will be directly funded by the State of Ohio to the respective schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the School District were funded to the School District who, in turn, made the payment to the respective school. For fiscal year 2021, the School District reported \$19,745,999 in revenue and expenditures/expense related to these programs. This new funding system calculates a unique base cost and a unique “per-pupil local capacity amount” for each School District. The School District’s state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

**REQUIRED SUPPLEMENTARY DATA**

**Euclid City School District**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net Pension Liability*  
*School Employees Retirement System of Ohio*  
*Last Eight Fiscal Years (1)*

	2021	2020	2019	2018
School District's Proportion of the Net Pension Liability	0.2842049%	0.3166077%	0.3299564%	0.3239504%
School District's Proportionate Share of the Net Pension Liability	\$ 18,797,912	\$ 18,943,193	\$ 18,897,214	\$ 19,355,320
School District's Covered Payroll	\$ 9,996,114	\$ 10,932,815	\$ 10,668,074	\$ 10,474,979
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	188.05%	173.27%	177.14%	184.78%
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. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date which is the prior fiscal period end.

See accompanying notes to the required supplementary information



2017	2016	2015	2014
0.3431075%	0.3485032%	0.388582%	0.388582%
\$ 25,112,303	\$ 19,885,931	\$ 19,665,914	\$ 23,107,724
\$ 10,661,107	\$ 10,471,662	\$ 11,113,947	\$ 13,149,689
235.55%	189.90%	176.95%	175.73%
62.98%	69.16%	71.70%	65.52%

**Euclid City School District**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net Pension Liability*  
*State Teachers Retirement System of Ohio*  
*Last Eight Fiscal Years (1)*

	2021	2020	2019	2018
School District's Proportion of the Net Pension Liability	0.27154912%	0.28561732%	0.29482068%	0.30128492%
School District's Proportionate Share of the Net Pension Liability	\$ 65,705,225	\$ 63,162,554	\$ 64,824,448	\$ 71,570,878
School District's Covered Payroll	\$ 32,670,157	\$ 33,300,679	\$ 33,327,414	\$ 33,205,336
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	201.12%	189.67%	194.51%	215.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.50%	77.40%	77.31%	75.29%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date which is the prior fiscal period end.

See accompanying notes to the required supplementary information

2017	2016	2015	2014
0.32006205%	0.31291268%	0.30803718%	0.30803718%
\$ 107,134,416	\$ 86,479,912	\$ 74,925,303	\$ 89,250,530
\$ 33,868,636	\$ 32,764,671	\$ 32,379,377	\$ 32,114,900
316.32%	263.94%	231.40%	277.91%
66.80%	72.10%	74.70%	69.30%

**Euclid City School District**  
*Required Supplementary Information*  
*Schedule of the School District's Pension Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 1,287,272	\$ 1,399,456	\$ 1,475,930	\$ 1,440,190
Contributions in Relation to the Contractually Required Contribution	<u>(1,287,272)</u>	<u>(1,399,456)</u>	<u>(1,475,930)</u>	<u>(1,440,190)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 9,194,800	\$ 9,996,114	\$ 10,932,815	\$ 10,668,074
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.50%	13.50%

See accompanying notes to the required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 1,466,497	\$ 1,492,555	\$ 1,380,165	\$ 1,540,393	\$ 1,819,917	\$ 1,874,909
<u>(1,466,497)</u>	<u>(1,492,555)</u>	<u>(1,380,165)</u>	<u>(1,540,393)</u>	<u>(1,819,917)</u>	<u>(1,874,909)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 10,474,979	\$ 10,661,107	\$ 10,471,662	\$ 11,113,947	\$ 13,149,689	\$ 13,939,844
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

**Euclid City School District**  
*Required Supplementary Information*  
*Schedule of the School District's Pension Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 4,551,741	\$ 4,573,822	\$ 4,662,095	\$ 4,665,838
Contributions in Relation to the Contractually Required Contribution	<u>(4,551,741)</u>	<u>(4,573,822)</u>	<u>(4,662,095)</u>	<u>(4,665,838)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 32,512,436	\$ 32,670,157	\$ 33,300,679	\$ 33,327,414
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 4,648,747	\$ 4,741,609	\$ 4,587,054	\$ 4,209,319	\$ 4,174,937	\$ 4,271,755
<u>(4,648,747)</u>	<u>(4,741,609)</u>	<u>(4,587,054)</u>	<u>(4,209,319)</u>	<u>(4,174,937)</u>	<u>(4,271,755)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 33,205,336	\$ 33,868,636	\$ 32,764,671	\$ 32,379,377	\$ 32,114,900	\$ 32,859,654
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%

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

	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.2935110%	0.3217833%	0.3318396%	0.3264677%	0.3457565%
School District's Proportionate Share of the Net OPEB Liability	\$ 6,378,954	\$ 8,092,173	\$ 9,206,128	\$ 8,761,536	\$ 9,855,338
School District's Covered Payroll	\$ 9,996,114	\$ 10,932,815	\$ 10,668,074	\$ 10,474,979	\$ 10,661,107
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	63.81%	74.02%	86.30%	83.64%	92.44%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the required supplementary information



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

	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability/Asset	0.27154912%	0.28561732%	0.29482068%	0.30128492%	0.32006205%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (4,772,470)	\$ (4,730,508)	\$ (4,737,467)	\$ 11,755,027	\$ 17,117,002
School District's Covered Payroll	\$ 32,670,157	\$ 33,300,679	\$ 33,327,414	\$ 33,205,336	\$ 33,868,636
School District's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-14.61%	-14.21%	-14.21%	35.40%	50.54%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	182.13%	174.74%	176.00%	47.11%	37.30%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the required supplementary information

**Euclid City School District**  
*Required Supplementary Information*  
*Schedule of the School District's OPEB Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2021	2020	2019	2018
Contractually Required Contribution (1)	\$ 166,717	\$ 181,899	\$ 238,523	\$ 219,878
Contributions in Relation to the Contractually Required Contribution	<u>(166,717)</u>	<u>(181,899)</u>	<u>(238,523)</u>	<u>(219,878)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District Covered Payroll	\$ 9,194,800	\$ 9,996,114	\$ 10,932,815	\$ 10,668,074
OPEB Contributions as a Percentage of Covered Payroll (1)	1.81%	1.82%	2.18%	2.06%

(1) Includes Surcharge

See accompanying notes to the required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 212,249	\$ 166,608	\$ 244,993	\$ 213,703	\$ 207,850	\$ 248,837
<u>(212,249)</u>	<u>(166,608)</u>	<u>(244,993)</u>	<u>(213,703)</u>	<u>(207,850)</u>	<u>(248,837)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 10,474,979	\$ 10,661,107	\$ 10,471,662	\$ 11,113,947	\$ 13,149,689	\$ 13,939,844
2.03%	1.56%	2.34%	1.92%	1.58%	1.79%

**Euclid City School District**  
*Required Supplementary Information*  
*Schedule of the School District's OPEB Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 32,512,436	\$ 32,670,157	\$ 33,300,679	\$ 33,327,414
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 323,794	\$ 321,149	\$ 328,597
<u>-</u>	<u>-</u>	<u>-</u>	<u>(323,794)</u>	<u>(321,149)</u>	<u>(328,597)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 33,205,336	\$ 33,868,636	\$ 32,764,671	\$ 32,379,377	\$ 32,114,900	\$ 32,859,654
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%

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## **Euclid City School District**

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

#### ***Net Pension Liability***

##### ***Changes of benefit terms- SERS***

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017 and 2019-2021.

The following changes were made to the benefit terms in 2018 as identified: The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018-2020.

##### ***Changes in assumptions- SERS***

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016 and 2018-2021. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement (h) change in discount rate from 7.75% to 7.5%.

##### ***Changes in benefit terms – STRS***

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2021.

##### ***Changes in assumptions – STRS***

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017 and 2019-2021. For fiscal year 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) inflation assumption lowered from 2.75% to 2.50%, (b) investment return assumption lowered from 7.75% to 7.45%, (c) total salary increases rates lowered by decreasing the merit component of the individual salary increases, as well as by 0.25% due to lower inflation, (d) payroll growth assumption lowered to 3.00%, (e) updated the healthy and disable mortality assumption to the “RP-2014” mortality tables with generational improvement scale MP-2016, (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.

## Euclid City School District

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

#### ***Net OPEB Liability***

#### ***Changes of benefit terms- SERS***

There were no changes in benefit terms from the amounts reported for fiscal years 2018-2021.

#### ***Changes in Assumptions – SERS***

Amounts reported for fiscal years 2018-2021 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

#### Municipal Bond Index Rate:

Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

#### Single Equivalent Interest Rate, net of plan investment expense, including price inflation

Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

#### Medicare Trend Assumption

##### Medicare

Fiscal year 2020	5.25 percent decreasing to 4.75 percent
Fiscal year 2019	5.375 percent decreasing to 4.75 percent
Fiscal year 2018	5.50 percent decreasing to 5.00 percent

##### Pre - Medicare

Fiscal year 2020	7.00 percent decreasing to 4.75 percent
Fiscal year 2019	7.25 percent decreasing to 4.75 percent
Fiscal year 2018	7.50 percent decreasing to 5.00 percent

#### ***Changes in Assumptions – STRS***

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified.

The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.



## Euclid City School District

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

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

For fiscal year 2020 and 2021, the health care cost trend rates were modified.

#### ***Changes in Benefit Terms – STRS***

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

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

For fiscal year 2020, claims curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984 per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2021, Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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## **SUPPLEMENTAL DATA**

## Euclid City School District

### *Fund Descriptions* *Nonmajor Governmental Funds*

#### **Nonmajor Special Revenue Funds**

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Descriptions of the School District's nonmajor special revenue funds follow:

**Special Trust** – This fund accounts for monies used for purposes that are beneficial to the overall operation of the School District.

**Public School Support** - This fund is used for the general support of the school building, staff, and students. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

**Other Grants** - This fund is used to account for the proceeds of specific revenue sources, except for State and Federal grants that are legally restricted to expenditures for specified purposes.

**Classroom Facilities Maintenance** – This fund is used to account for the proceeds of a levy for the maintenance of facilities. The School District utilizes the equivalent of 0.5 mill from its on-going Permanent Improvement Levy for 23 years.

**Termination Benefits** – This fund accumulated funds to pay termination benefits to eligible employees. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

**Student Managed Activity** - This fund is used to account for those student activity programs which has student participation in an activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer and faculty advisor. Due to the implementation of GASB Statement No. 84, this fund was reclassified as a Special Revenue Fund on the governmental fund financial statements but does not include a budgetary schedule as one was not required to be adopted in fiscal year 2021.

**District Managed Student Activity** - This fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund includes all athletic programs, except supplemental coaching contacts, and accounts for revenues and costs of the School District's athletic programs and other district managed student activities.

**Auxiliary Services** – This fund accounts for monies which provide services and materials to pupils attending non-public schools within the School District.

**Student Wellness and Success** – This fund accounts for services to students meeting the needs of the whole child, including mental health services.

**Public School Preschool** – This fund accounts for monies which assist the School District in paying the cost of preschool programs for three- and four-year-olds.

## Euclid City School District

### *Fund Descriptions* *Nonmajor Governmental Funds*

**Miscellaneous State Grants** – This fund accounts for various monies received from state agencies which are not classified elsewhere.

**Elementary and Secondary School Emergency Fund** – This fund accounts for emergency relief grants related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

**IDEA, Part B Special Education, Education of Handicapped Children** - The purpose of this Federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the elementary and secondary levels.

**Coronavirus Relief Fund** – This fund accounts for monies to cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19.

**Project Head Start** – This fund accounts for monies restricted to promote school readiness by enhancing social and cognitive development of low-income children through the provision of comprehensive health, educational, nutritional, social and other services.

**Title III – Limited English Proficiency** – This fund accounts for monies restricted to develop and carry out elementary and secondary school programs, including activities at the preschool level, to meet the educational needs of children of limited English proficiency.

**Title I – Disadvantaged Children/Targeted Assistance** - This fund is used to provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

**IDEA Preschool Grant for the Handicapped** – The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three through five years.

**Improving Teacher Quality** - This fund is used to account for monies to hire additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

**Miscellaneous Federal Grants** - This fund is used to account for various monies received through state agencies from the Federal government or directly from the Federal government. The School District utilizes this fund to account for monies restricted for the Safe Routes to School grant passed through from the Ohio Department of Transportation.

## Euclid City School District

### *Fund Descriptions* *Nonmajor Governmental Funds*

#### **Nonmajor Capital Projects Fund**

Capital Projects funds are used to account for and report financial resources that are restricted, committed or assigned for the acquisition or construction of major capital facilities and other capital assets. Descriptions of the School District's nonmajor capital projects funds follow:

**Permanent Improvement** – This fund is used to account for all transactions relating to the acquiring, constructing, or improving such permanent improvements as are authorized by Ohio Revised Code, Chapter 5705.

**Replacement** – This fund exists for the replacement of equipment and other items not covered by the School District's building and contents insurance.

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## Euclid City School District

### Combining Balance Sheet Nonmajor Governmental Funds June 30, 2021

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents, and Investments	\$ 4,910,186	\$ 3,120,601	\$ 8,030,787
Intergovernmental Receivable	950,931	-	950,931
Prepaid Items	-	163	163
Property Taxes Receivable	-	1,420,765	1,420,765
Lease Receivable	-	254,184	254,184
<b>Total Assets</b>	<b>\$ 5,861,117</b>	<b>\$ 4,795,713</b>	<b>\$ 10,656,830</b>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$ 336,630	\$ 118,700	\$ 455,330
Accrued Wages and Benefits	1,008,944	-	1,008,944
Intergovernmental Payable	175,803	-	175,803
Interfund Payable	1,934,625	-	1,934,625
Tax Anticipation Notes Payable	-	945,000	945,000
<b>Total Liabilities</b>	<b>3,456,002</b>	<b>1,063,700</b>	<b>4,519,702</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	-	1,072,840	1,072,840
Unavailable Revenue-Delinquent Property Taxes	-	244,478	244,478
Unavailable Revenue - Grants	745,534	-	745,534
Unavailable Revenue-Other	-	254,184	254,184
<b>Total Deferred Inflows of Resources</b>	<b>745,534</b>	<b>1,571,502</b>	<b>2,317,036</b>
 <b>FUND BALANCES:</b>			
Nonspendable	-	163	163
Restricted	3,719,146	2,107,643	5,826,789
Committed	23,302	-	23,302
Assigned	-	52,705	52,705
Unassigned	(2,082,867)	-	(2,082,867)
<b>Total Fund Balances</b>	<b>1,659,581</b>	<b>2,160,511</b>	<b>3,820,092</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,861,117</b>	<b>\$ 4,795,713</b>	<b>\$ 10,656,830</b>



## Euclid City School District

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2021*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ 251,698	\$ 525,185	\$ 776,883
Revenues from State Sources:			
Unrestricted Grants-in-Aid	-	158,834	158,834
Restricted Grants-in-Aid	3,302,145	-	3,302,145
Revenues from Federal Sources:			
Restricted Grants-in-Aid	6,943,883	-	6,943,883
Interest	1,010	10,428	11,438
Extracurricular Activities	111,915	-	111,915
Rentals	-	30,240	30,240
Contributions and Donations from Private Sources	37,267	128,707	165,974
Transportation Fees	-	37,250	37,250
Miscellaneous	45,559	4,255	49,814
<b>Total Revenues</b>	<u>10,693,477</u>	<u>894,899</u>	<u>11,588,376</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular	2,796,235	15,837	2,812,072
Special	2,460,091	-	2,460,091
Other Instruction	115,946	-	115,946
Supporting Services:			
Pupils	1,840,413	-	1,840,413
Instructional Staff	1,229,440	-	1,229,440
Administration	153,096	-	153,096
Fiscal Services	33,878	22,881	56,759
Business	118,986	54,011	172,997
Operation and Maintenance of Plant Services	794,823	169,270	964,093
Pupil Transportation	61,007	-	61,007
Central	8,500	326,037	334,537
Operation of Non-Instructional Services:			
Community Services	1,344,543	-	1,344,543
Extracurricular Activities	135,965	-	135,965
Facilities Acquisition and Construction Services	-	12,800	12,800
<b>Total Expenditures</b>	<u>11,092,923</u>	<u>600,836</u>	<u>11,693,759</u>
Excess of Revenues Over (Under) Expenditures	<u>(399,446)</u>	<u>294,063</u>	<u>(105,383)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	1,894	97,424	99,318
Transfers In	185,882	315,198	501,080
<b>Total Other Financing Sources (Uses)</b>	<u>187,776</u>	<u>412,622</u>	<u>600,398</u>
Net Change in Fund Balances	(211,670)	706,685	495,015
Fund Balances - Beginning of Year	1,871,251	1,453,826	3,325,077
<b>Fund Balances - End of Year</b>	<u>\$ 1,659,581</u>	<u>\$ 2,160,511</u>	<u>\$ 3,820,092</u>

**Euclid City School District**

*Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2021*

	<u>Special Trust</u>	<u>Other Grants</u>
<b>ASSETS</b>		
Equity in Pooled Cash and Cash Equivalents, and Investments	\$ 23,302	\$ 216,802
Intergovernmental Receivable	-	28,812
<b>Total Assets</b>	<u>23,302</u>	<u>245,614</u>
<b><u>Liabilities</u></b>		
Accounts Payable	\$ -	\$ -
Accrued Wages and Benefits	-	6,284
Intergovernmental Payable	-	3,764
Interfund Payable	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>10,048</u>
<b><u>Deferred Inflows of Resources</u></b>		
Unavailable Revenue - Grants	-	-
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>		
Restricted	-	235,566
Committed	23,302	-
Unassigned (Deficit)	-	-
<b>Total Fund Balances (Deficits)</b>	<u>23,302</u>	<u>235,566</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 23,302</u>	<u>\$ 245,614</u>

<b>Classroom Facilities Maintenance</b>	<b>Student Managed Activity</b>	<b>District Managed Student Activity</b>	<b>Auxiliary Services</b>	<b>Student Wellness</b>	<b>Public School Preschool</b>
\$ 2,630,720	\$ 33,693	\$ 90,060	\$ 76,094	\$ 744,298	\$ -
-	-	-	176,585	-	-
<u>2,630,720</u>	<u>33,693</u>	<u>90,060</u>	<u>252,679</u>	<u>744,298</u>	<u>-</u>
\$ -	\$ -	\$ 7,573	\$ 27,378	\$ 21,000	\$ -
-	-	-	1,034	195,743	-
-	-	-	309	29,541	-
-	-	-	-	-	31,532
<u>-</u>	<u>-</u>	<u>7,573</u>	<u>28,721</u>	<u>246,284</u>	<u>31,532</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,630,720	33,693	82,487	223,958	498,014	-
-	-	-	-	-	-
-	-	-	-	-	(31,532)
<u>2,630,720</u>	<u>33,693</u>	<u>82,487</u>	<u>223,958</u>	<u>498,014</u>	<u>(31,532)</u>
<u>\$ 2,630,720</u>	<u>\$ 33,693</u>	<u>\$ 90,060</u>	<u>\$ 252,679</u>	<u>\$ 744,298</u>	<u>\$ -</u>

## Euclid City School District

*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2021*  
 (continued)

	<u>Miscellaneous State Grants</u>	<u>Elementary and Secondary School Emergency</u>	<u>IDEA, Education of Handicapped Children</u>	<u>Coronavirus Relief</u>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents, and Investments	\$ 14,813	\$ 970,029	\$ -	\$ -
Intergovernmental Receivable	265	-	13,310	-
<b>Total Assets</b>	<u>15,078</u>	<u>970,029</u>	<u>13,310</u>	<u>-</u>
<b>Liabilities</b>				
Accounts Payable	\$ -	\$ 260,679	\$ -	\$ -
Accrued Wages and Benefits	-	356,285	9,996	-
Intergovernmental Payable	-	67,648	3,531	-
Interfund Payable	265	1,740,635	1,243	-
<b>Total Liabilities</b>	<u>265</u>	<u>2,425,247</u>	<u>14,770</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Grants	265	-	13,310	-
<b>Total Deferred Inflows of Resources</b>	<u>265</u>	<u>-</u>	<u>13,310</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted	14,548	-	-	-
Committed	-	-	-	-
Unassigned (Deficit)	-	(1,455,218)	(14,770)	-
<b>Total Fund Balances (Deficits)</b>	<u>14,548</u>	<u>(1,455,218)</u>	<u>(14,770)</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 15,078</u>	<u>\$ 970,029</u>	<u>\$ 13,310</u>	<u>\$ -</u>

<b>Project Head Start</b>	<b>Title III - Limited English Proficiency</b>	<b>Title I, Disadvantaged Children/ Targeted Assistance</b>	<b>IDEA Preschool Grant for the Handicapped</b>	<b>Improving Teacher Quality</b>	<b>Misc. Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ 160	\$ 69,573	\$ 7,641	\$ 28,403	\$ 4,598	\$ 4,910,186
-	-	649,594	8,163	58,257	15,945	950,931
-	160	719,167	15,804	86,660	20,543	5,861,117
\$ -	\$ -	\$ 20,000	-	-	-	336,630
34,450	-	354,565	3,487	40,714	6,386	1,008,944
3,456	-	58,343	400	4,920	3,891	175,803
-	-	116,695	7,641	28,500	8,114	1,934,625
37,906	-	549,603	11,528	74,134	18,391	3,456,002
-	-	649,594	8,163	58,257	15,945	745,534
-	-	649,594	8,163	58,257	15,945	745,534
-	160	-	-	-	-	3,719,146
-	-	-	-	-	-	23,302
(37,906)	-	(480,030)	(3,887)	(45,731)	(13,793)	(2,082,867)
(37,906)	160	(480,030)	(3,887)	(45,731)	(13,793)	1,659,581
\$ -	\$ 160	\$ 719,167	\$ 15,804	\$ 86,660	\$ 20,543	\$ 5,861,117

## Euclid City School District

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2021*

	Special Trust	Other Grants	Classroom Facilities Maintenance
<b>REVENUES</b>			
Property Taxes	\$ -	\$ -	\$ 251,698
Revenues from State Sources:			
Restricted Grants-in-Aid	-	230,004	299,978
Revenues from Federal Sources:			
Restricted Grants-in-Aid	-	-	-
Earnings on Investments	-	-	-
Extracurricular Activities	-	-	-
Contributions and Donations from Private Sources	4,648	15,000	-
Miscellaneous	-	2,220	-
<b>Total Revenues</b>	<u>4,648</u>	<u>247,224</u>	<u>551,676</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular	-	59,892	-
Special	-	-	-
Other Instruction	-	-	-
Supporting Services:			
Pupils	-	-	-
Instructional Staff	-	273	-
Administration	-	-	-
Fiscal Services	-	-	-
Business	-	-	-
Operation and Maintenance of Plant Services	-	-	213,824
Pupil Transportation	-	-	-
Central	-	-	-
Operation of Non-Instructional Services:			
Community Services	2,830	84,915	-
Extracurricular Activities	805	710	-
<b>Total Expenditures</b>	<u>3,635</u>	<u>145,790</u>	<u>213,824</u>
Excess of Revenues Over (Under) Expenditures	<u>1,013</u>	<u>101,434</u>	<u>337,852</u>
<b>OTHER FINANCING SOURCES</b>			
Sale of Capital Assets	-	-	-
Transfers In	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,013	101,434	337,852
Fund Balances (Deficit) - Beginning of Year	22,289	134,132	2,292,868
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 23,302</u>	<u>\$ 235,566</u>	<u>\$ 2,630,720</u>

<b>Student Managed Activity</b>	<b>District Managed Student Activity</b>	<b>Auxiliary Services</b>	<b>Student Wellness</b>	<b>Public School Preschool</b>	<b>Miscellaneous State Grants</b>	<b>Elementary and Secondary School Emergency</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	860,079	1,632,888	251,920	27,276	-
-	-	-	-	-	-	1,793,224
-	-	1,010	-	-	-	-
39,939	71,976	-	-	-	-	-
814	16,805	-	-	-	-	-
1,210	103	1,447	8,563	1,993	-	-
<u>41,963</u>	<u>88,884</u>	<u>862,536</u>	<u>1,641,451</u>	<u>253,913</u>	<u>27,276</u>	<u>1,793,224</u>
-	-	-	-	274,720	-	2,156,162
-	-	-	-	10,725	-	58,414
-	-	-	-	-	-	115,946
-	-	-	1,193,267	-	7,542	44,223
-	-	-	21,000	-	-	220,445
-	-	-	-	-	-	34,779
-	-	27,378	-	-	-	-
-	-	-	-	-	-	53,950
-	-	-	-	-	47,646	321,000
-	-	-	-	-	-	61,007
-	-	-	-	-	-	8,500
-	-	708,763	103,394	-	-	174,016
8,721	125,729	-	-	-	-	-
<u>8,721</u>	<u>125,729</u>	<u>736,141</u>	<u>1,317,661</u>	<u>285,445</u>	<u>55,188</u>	<u>3,248,442</u>
<u>33,242</u>	<u>(36,845)</u>	<u>126,395</u>	<u>323,790</u>	<u>(31,532)</u>	<u>(27,912)</u>	<u>(1,455,218)</u>
451	1,443	-	-	-	-	-
-	60,000	-	-	-	-	-
<u>451</u>	<u>61,443</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>33,693</u>	<u>24,598</u>	<u>126,395</u>	<u>323,790</u>	<u>(31,532)</u>	<u>(27,912)</u>	<u>(1,455,218)</u>
-	57,889	97,563	174,224	-	42,460	-
<u>\$ 33,693</u>	<u>\$ 82,487</u>	<u>\$ 223,958</u>	<u>\$ 498,014</u>	<u>\$ (31,532)</u>	<u>\$ 14,548</u>	<u>\$ (1,455,218)</u>

(Continued)

## Euclid City School District

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2021  
(continued)*

	<b>IDEA, Education of Handicapped Children</b>	<b>Coronavirus Relief</b>	<b>Project Head Start</b>	<b>Title III - Limited English Proficiency</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenues from State Sources:				
Restricted Grants-in-Aid	-	-	-	-
Revenues from Federal Sources:				
Restricted Grants-in-Aid	1,822,239	304,212	51,249	-
Earnings on Investments	-	-	-	-
Extracurricular Activities	-	-	-	-
Contributions and Donations from Private Sources	-	-	-	-
Miscellaneous	1,231	-	1,059	-
<b>Total Revenues</b>	<u>1,823,470</u>	<u>304,212</u>	<u>52,308</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	-	33,132	-	-
Special	1,289,961	-	184,021	-
Other Instruction	-	-	-	-
Supporting Services:				
Pupils	74,279	-	-	-
Instructional Staff	86,437	-	-	-
Administration	-	-	-	-
Fiscal Services	-	-	-	-
Business	-	-	-	-
Operation and Maintenance of Plant Services	-	212,353	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services:				
Community Services	38,872	-	-	-
Extracurricular Activities	-	-	-	-
<b>Total Expenditures</b>	<u>1,489,549</u>	<u>245,485</u>	<u>184,021</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>333,921</u>	<u>58,727</u>	<u>(131,713)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of Capital Assets	-	-	-	-
Transfers In	-	-	125,881	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>125,881</u>	<u>-</u>
Net Change in Fund Balances	333,921	58,727	(5,832)	-
Fund Balances (Deficit) - Beginning of Year	(348,691)	(58,727)	(32,074)	160
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ (14,770)</u>	<u>\$ -</u>	<u>\$ (37,906)</u>	<u>\$ 160</u>



<b>Title I, Disadvantaged Children/ Targeted Assistance</b>	<b>IDEA Preschool Grant for the Handicapped</b>	<b>Improving Teacher Quality</b>	<b>Misc. Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 251,698
-	-	-	-	3,302,145
2,622,433	21,181	242,890	86,455	6,943,883
-	-	-	-	1,010
-	-	-	-	111,915
-	-	-	-	37,267
25,732	133	1,688	180	45,559
<u>2,648,165</u>	<u>21,314</u>	<u>244,578</u>	<u>86,635</u>	<u>10,693,477</u>
272,329	-	-	-	2,796,235
916,970	-	-	-	2,460,091
-	-	-	-	115,946
499,232	-	-	21,870	1,840,413
657,136	19,219	223,666	1,264	1,229,440
63,229	-	-	55,088	153,096
6,500	-	-	-	33,878
65,036	-	-	-	118,986
-	-	-	-	794,823
-	-	-	-	61,007
-	-	-	-	8,500
215,322	-	10,646	5,785	1,344,543
-	-	-	-	135,965
<u>2,695,754</u>	<u>19,219</u>	<u>234,312</u>	<u>84,007</u>	<u>11,092,923</u>
<u>(47,589)</u>	<u>2,095</u>	<u>10,266</u>	<u>2,628</u>	<u>(399,446)</u>
-	-	-	-	1,894
<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>185,882</u>
<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,776</u>
<u>(47,588)</u>	<u>2,095</u>	<u>10,266</u>	<u>2,628</u>	<u>(211,670)</u>
<u>(432,442)</u>	<u>(5,982)</u>	<u>(55,997)</u>	<u>(16,421)</u>	<u>1,871,251</u>
<u>\$ (480,030)</u>	<u>\$ (3,887)</u>	<u>\$ (45,731)</u>	<u>\$ (13,793)</u>	<u>\$ 1,659,581</u>

**Euclid City School District**

*Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2021*

	<u>Permanent Improvement</u>	<u>Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents, and Investments	\$ 3,067,896	\$ 52,705	\$ 3,120,601
Prepaid Items	163	-	163
Property Taxes Receivable	1,420,765	-	1,420,765
Lease Receivable	254,184	-	254,184
<b>Total Assets</b>	<u>\$ 4,743,008</u>	<u>\$ 52,705</u>	<u>\$ 4,795,713</u>
 <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b><u>Liabilities</u></b>			
Accounts Payable	\$ 118,700	\$ -	\$ 118,700
Tax Anticipation Notes Payable	945,000	-	945,000
<b>Total Liabilities</b>	<u>1,063,700</u>	<u>-</u>	<u>1,063,700</u>
 <b><u>Deferred Inflows of Resources</u></b>			
Property Taxes	1,072,840	-	1,072,840
Unavailable Revenue-Delinquent Property Taxes	244,478	-	244,478
Unavailable Revenue-Other	254,184	-	254,184
<b>Total Deferred Inflows of Resources</b>	<u>1,571,502</u>	<u>-</u>	<u>1,571,502</u>
 <b>Fund Balances:</b>			
Nonspendable	163	-	163
Restricted	2,107,643	-	2,107,643
Assigned	-	52,705	52,705
<b>Total Fund Balances</b>	<u>2,107,806</u>	<u>52,705</u>	<u>2,160,511</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 4,743,008</u>	<u>\$ 52,705</u>	<u>\$ 4,795,713</u>

**Euclid City School District**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2021*

	<b>Permanent Improvement</b>	<b>Replacement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>			
Property Taxes	\$ 525,185	\$ -	\$ 525,185
Revenues from State Sources:			
Unrestricted Grants-in-Aid	158,834	-	158,834
Interest	10,252	176	10,428
Rentals	30,240	-	30,240
Contributions and Donations	128,707	-	128,707
Transportation Fees	-	37,250	37,250
Miscellaneous	75	4,180	4,255
<b>Total Revenues</b>	<b>853,293</b>	<b>41,606</b>	<b>894,899</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular	-	15,837	15,837
Supporting Services:			
Fiscal Services	22,881	-	22,881
Business	44,153	9,858	54,011
Operation and Maintenance of Plant Services	169,270	-	169,270
Central	326,037	-	326,037
Facilities Acquisition and Construction Services	12,800	-	12,800
<b>Total Expenditures</b>	<b>575,141</b>	<b>25,695</b>	<b>600,836</b>
Excess of Revenues Over (Under) Expenditures	278,152	15,911	294,063
<b>OTHER FINANCING SOURCES</b>			
Sale of Capital Assets	96,357	1,067	97,424
<b>Total Other Financing Sources</b>	<b>411,555</b>	<b>1,067</b>	<b>412,622</b>
Net Change in Fund Balances	689,707	16,978	706,685
Fund Balances - Beginning of Year	1,418,099	35,727	1,453,826
<b>Fund Balances - End of Year</b>	<b>\$ 2,107,806</b>	<b>\$ 52,705</b>	<b>\$ 2,160,511</b>

## Euclid City School District

### *Fund Descriptions* *Nonmajor Enterprise Funds*

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public, be financed or recovered primarily through user charges.

**Food Service** – This fund accounts for the provision of food service to the School District.

**Customer Services** – This fund accounts for services provided primarily to the general public which are financed or recovered through user charges.

## Euclid City School District

### Combining Statement of Net Position Nonmajor Enterprise Funds June 30, 2021

	<u>Food Services</u>	<u>Customer Services</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 2,417,885	\$ 18,346	\$ 2,436,231
Materials and Supplies Inventory	38,787	-	38,787
Intergovernmental Receivable	69,381	-	69,381
Prepaid Items	1,054	-	1,054
<b>Total Current Assets</b>	<u>2,527,107</u>	<u>18,346</u>	<u>2,545,453</u>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Depreciable Capital Assets, Net of Depreciation	409,218	-	409,218
<b>Total Assets</b>	<u>2,936,325</u>	<u>18,346</u>	<u>2,954,671</u>
<b><u>Deferred Outflows of Resources</u></b>			
Pension	241,133	-	241,133
OPEB	143,583	-	143,583
<b>Total Deferred Outflows of Resources</b>	<u>384,716</u>	<u>-</u>	<u>384,716</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	22,571	-	22,571
Accrued Wages and Benefits	52,359	-	52,359
Compensated Absences Payable	6,409	-	6,409
Intergovernmental Payable	26,910	-	26,910
<b>Total Current Liabilities</b>	<u>108,249</u>	<u>-</u>	<u>108,249</u>
<b>Noncurrent Liabilities:</b>			
Compensated Absences Payable	8,128	-	8,128
Net Pension Liability	1,800,821	-	1,800,821
Net OPEB Liability	611,097	-	611,097
<b>Total Noncurrent Liabilities</b>	<u>2,420,046</u>	<u>-</u>	<u>2,420,046</u>
<b>Total Liabilities</b>	<u>2,528,295</u>	<u>-</u>	<u>2,528,295</u>
<b><u>Deferred Inflows of Resources</u></b>			
Pension	126,055	-	126,055
OPEB	409,335	-	409,335
<b>Total Deferred Inflows of Resources</b>	<u>535,390</u>	<u>-</u>	<u>535,390</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	409,218	-	409,218
Unrestricted	(151,862)	18,346	(133,516)
<b>Total Net Position</b>	<u>\$ 257,356</u>	<u>\$ 18,346</u>	<u>\$ 275,702</u>

## Euclid City School District

*Combining Statement of Revenues, Expenses and Changes in Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended June 30, 2021*

	<b>Food Services</b>	<b>Customer Services</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>			
Charges for Services:			
Food Services	\$ 11,602	\$ 2,768	\$ 14,370
Commissions	22	-	22
Other Miscellaneous	12,233	200	12,433
<b>Total Operating Revenues</b>	23,857	2,968	26,825
<b>OPERATING EXPENSES</b>			
Salaries and Wages	735,174	-	735,174
Employee's Retirement and Insurance Benefits	187,348	-	187,348
Purchased Services	7,486	-	7,486
Materials and Supplies	836,784	12,277	849,061
Depreciation	54,778	-	54,778
Other	5,399	-	5,399
<b>Total Operating Expenses</b>	1,826,969	12,277	1,839,246
Operating Income (Loss)	(1,803,112)	(9,309)	(1,812,421)
<b>NONOPERATING REVENUES</b>			
Gain on Sale of Capital Assets	6,330	-	6,330
(Loss) on Sale of Capital Assets	(8,549)	-	(8,549)
Earnings on Investments	9,268	-	9,268
Contributions and Donations from Private Sources	14,000	-	14,000
Intergovernmental	2,237,139	-	2,237,139
Donated Commodities	132,693	-	132,693
<b>Total Nonoperating Revenues</b>	2,390,881	-	2,390,881
Transfers In	-	10,000	10,000
Change in Net Position	587,769	691	588,460
Net Position (Deficit) - Beginning of Year	(330,413)	17,655	(312,758)
<b>Net Position - End of Year</b>	\$ 257,356	\$ 18,346	\$ 275,702

## Euclid City School District

### Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2021

	Food Services	Customer Services	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Charges for Food Services	\$ 11,624	\$ 2,768	\$ 14,392
Other Cash Receipts	51,976	200	52,176
Cash Payments to Employees for Salaries and Wages	(721,962)	-	(721,962)
Cash Payments to Employees for Retirement and Insurance Benefits	(275,658)	-	(275,658)
Cash Payments to Suppliers and Service Providers for Goods and Services	(650,453)	(12,277)	(662,730)
Cash Payments for Other Expenses	(5,315)	-	(5,315)
Net Cash (Used in) Operating Activities	<u>(1,589,788)</u>	<u>(9,309)</u>	<u>(1,599,097)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Operating Grants Received	2,239,482	-	2,239,482
Transfers In	-	10,000	10,000
Contributions and Donations from Private Sources	14,000	-	14,000
Net Cash Provided by Noncapital Financing Activities	<u>2,253,482</u>	<u>10,000</u>	<u>2,263,482</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from Sale of Assets	6,330	-	6,330
Net Cash Provided by Capital and Related Financing Activities	<u>6,330</u>	<u>-</u>	<u>6,330</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	9,268	-	9,268
Net Cash Provided by Investing Activities	<u>9,268</u>	<u>-</u>	<u>9,268</u>
Net Increase in Cash and Cash Equivalents	679,292	691	679,983
Cash and Cash Equivalents - Beginning of Year	1,738,593	17,655	1,756,248
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 2,417,885</u>	<u>\$ 18,346</u>	<u>\$ 2,436,231</u>
<b>RECONCILIATION OF OPERATING LOSS (LOSS) TO NET CASH (USED IN) OPERATING ACTIVITIES</b>			
Operating (Loss)	\$ (1,803,112)	\$ (9,309)	\$ (1,812,421)
Adjustments:			
Depreciation	54,778	-	54,778
Federal Donated Commodities	132,693	-	132,693
(Increase) Decrease in Assets and Deferred Outflows of Resources:			
Intergovernmental Receivable	39,743	-	39,743
Materials and Supplies Inventory	38,553	-	38,553
Prepaid Items	84	-	84
Deferred Outflows of Resources - Pension and OPEB	(99,589)	-	(99,589)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:			
Accounts Payable	22,571	-	22,571
Accrued Wages and Benefits	30,467	-	30,467
Compensated Absences Payable	(8,737)	-	(8,737)
Intergovernmental Payable	(19,689)	-	(19,689)
Net Pension Liability	(13,918)	-	(13,918)
Net OPEB Liability	(164,125)	-	(164,125)
Deferred Inflows of Resources - Pension and OPEB	200,493	-	200,493
Net Cash Provided by (Used in) Operating Activities	<u>\$ (1,589,788)</u>	<u>\$ (9,309)</u>	<u>\$ (1,599,097)</u>

#### **Schedule of Noncash Non-Capital and Capital Financing Activities**

During the year, the Food Services fund received donated commodities of \$132,693

## Euclid City School District

### *Fund Descriptions* *Internal Service Funds*

Internal Service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the School District or to other school districts on a cost reimbursement basis.

**General Rotary** – This fund provides for the purchase of services and equipment by internal persons and organizations.

**Health Insurance** – This fund is to account for the receipt and expense of funds for medical and dental claims for employees.

**Workers' Compensation** – This fund accounts for the claims and premiums paid to the State for workers' compensation insurance.



## Euclid City School District

### *Combining Statement of Net Position Internal Service Funds June 30, 2021*

	<b>General Rotary</b>	<b>Health Insurance</b>	<b>Workers' Compensation</b>	<b>Nonmajor Internal Service Funds</b>
<b>ASSETS</b>				
<b>Current Assets:</b>				
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 49,321	\$ 8,993,419	\$ 3,075,717	\$ 12,118,457
Intergovernmental Receivable	-	-	33,144	33,144
Prepaid Items	-	-	133,024	133,024
<b>Total Assets</b>	49,321	8,993,419	3,241,885	12,284,625
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Claims Payable	-	941,630	-	941,630
<b>Total Liabilities</b>	-	941,630	-	941,630
<b>NET POSITION</b>				
Unrestricted	49,321	8,051,789	3,241,885	11,342,995
<b>Total Net Position</b>	\$ 49,321	\$ 8,051,789	\$ 3,241,885	\$ 11,342,995

## Euclid City School District

*Combining Statement of Revenues, Expenses and Changes in Net Position  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2021*

	<u>General Rotary</u>	<u>Employee Benefits Self- Insurance</u>	<u>Workers' Compensatio n Self- Insurance</u>	<u>Nonmajor Internal Service Funds</u>
<b>OPERATING REVENUES</b>				
Charges for Services:				
Risk Management	\$ -	\$ 8,938,040	\$ 109,777	\$ 9,047,817
Other Miscellaneous	183	-	35,144	35,327
<b>Total Operating Revenues</b>	<u>183</u>	<u>8,938,040</u>	<u>144,921</u>	<u>9,083,144</u>
<b>OPERATING EXPENSES</b>				
Salaries and Wages	18,834	-	-	18,834
Employee's Retirement and Insurance Benefits	136,331	7,769,015	183,068	8,088,414
Purchased Services	44,809	855,662	30,095	930,566
Materials and Supplies	20,775	-	-	20,775
Other	1,463	-	-	1,463
<b>Total Operating Expense</b>	<u>222,212</u>	<u>8,624,677</u>	<u>213,163</u>	<u>9,060,052</u>
Operating Income (Loss)	<u>(222,029)</u>	<u>313,363</u>	<u>(68,242)</u>	<u>23,092</u>
<b>NONOPERATING REVENUES</b>				
Contributions and Donations from Private Sources	222,388	-	-	222,388
Intergovernmental	2,428	-	-	2,428
<b>Total Nonoperating Revenues</b>	<u>224,816</u>	<u>-</u>	<u>-</u>	<u>224,816</u>
Change in Net Position	2,787	313,363	(68,242)	247,908
Net Position - Beginning of Year	46,534	7,738,426	3,310,127	11,095,087
<b>Net Position - End of Year</b>	<u>\$ 49,321</u>	<u>\$ 8,051,789</u>	<u>\$ 3,241,885</u>	<u>\$ 11,342,995</u>

**Euclid City School District**

*Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2021*

	<u>General Rotary</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Nonmajor Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Charges for Risk Management	\$ -	\$ 8,938,040	\$ 109,777	\$ 9,047,817
Other Cash Receipts	183	-	2,000	2,183
Cash Payments to Employees for Salaries and Wages	(18,834)	-	-	(18,834)
Cash Payments to Employees for Retirement and Insurance Benefits	(136,331)	(8,284,887)	(151,705)	(8,572,923)
Cash Payments to Suppliers and Service Providers for Goods and Services	(65,584)	(855,662)	(30,095)	(951,341)
Other Cash Payments	(1,463)	-	-	(1,463)
Net Cash (Used in) Operating Activities	<u>(222,029)</u>	<u>(202,509)</u>	<u>(70,023)</u>	<u>(494,561)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Contributions and donations from Private Sources	222,388	-	-	222,388
Operating Grants Received	2,428	-	-	2,428
Net Cash Provided by Noncapital Financing Activities	<u>224,816</u>	<u>-</u>	<u>-</u>	<u>224,816</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,787	(202,509)	(70,023)	(269,745)
Cash and Cash Equivalents - Beginning of Year	46,534	9,195,928	3,145,740	12,388,202
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 49,321</u>	<u>\$ 8,993,419</u>	<u>\$ 3,075,717</u>	<u>\$ 12,118,457</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED IN) OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (222,029)	\$ 313,363	\$ (68,242)	\$ 23,092
Adjustments:				
(Increase) Decrease in Assets:				
Intergovernmental Receivable			(33,144)	(33,144)
Prepaid Items	-	-	38,094	38,094
(Decrease) in Liabilities:				
Claims Payable	-	(515,872)	(6,731)	(522,603)
Net Cash (Used in) Operating Activities	<u>\$ (222,029)</u>	<u>\$ (202,509)</u>	<u>\$ (70,023)</u>	<u>\$ (494,561)</u>

**Individual Fund Schedules of Revenues, Expenditures  
And Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)**

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021*

**General Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 70,998,397	\$ 72,979,802	\$ 79,401,885	\$ 6,422,083
<b>Expenditures and Other Financing Uses</b>	76,368,608	76,368,608	70,746,212	5,622,396
Net Change in Budgetary Fund Balance	(5,370,211)	(3,388,806)	8,655,673	12,044,479
Budgetary Fund Balance - Beginning of Year	10,439,780	10,439,780	10,439,780	-
Prior Year Encumbrances Appropriated	1,649,849	1,649,849	1,649,849	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 6,719,418</b>	<b>\$ 8,700,823</b>	<b>\$ 20,745,302</b>	<b>\$ 12,044,479</b>

**Bond Retirement Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 8,178,061	\$ 8,178,061	\$ 8,016,815	\$ (161,246)
<b>Expenditures and Other Financing Uses</b>	7,574,537	7,574,537	7,552,645	21,892
Net Change in Budgetary Fund Balance	603,524	603,524	464,170	(139,354)
Budgetary Fund Balance - Beginning of Year	12,134,322	12,134,322	12,134,322	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 12,737,846</b>	<b>\$ 12,737,846</b>	<b>\$ 12,598,492</b>	<b>\$ (139,354)</b>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Building Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 165,000	\$ 165,000	\$ 119,569	\$ (45,431)
<b>Expenditures and Other Financing Uses</b>	14,549,134	14,549,134	13,318,418	1,230,716
Net Change in Budgetary Fund Balance	(14,384,134)	(14,384,134)	(13,198,849)	1,185,285
Budgetary Fund Balance - Beginning of Year	9,323,630	9,323,630	9,323,630	-
Prior Year Encumbrances Appropriated	6,606,577	6,606,577	6,606,577	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 1,546,073</b>	<b>\$ 1,546,073</b>	<b>\$ 2,731,358</b>	<b>\$ 1,185,285</b>

**Classroom Facilities Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 12,700,000	\$ 12,700,000	\$ 6,034,887	\$ (6,665,113)
<b>Expenditures and Other Financing Uses</b>	34,364,801	34,364,801	29,974,187	4,390,614
Net Change in Budgetary Fund Balance	(21,664,801)	(21,664,801)	(23,939,300)	(2,274,499)
Budgetary Fund Balance - Beginning of Year	(4,615,385)	(4,615,385)	(4,615,385)	-
Prior Year Encumbrances Appropriated	26,314,801	26,314,801	26,314,801	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 34,615</b>	<b>\$ 34,615</b>	<b>\$ (2,239,884)</b>	<b>\$ (2,274,499)</b>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Special Trust Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 25,000	\$ 25,000	\$ 54,648	\$ 29,648
<b>Expenditures and Other Financing Uses</b>	44,361	45,361	43,413	1,948
Net Change in Budgetary Fund Balance	(19,361)	(20,361)	11,235	31,596
Budgetary Fund Balance - Beginning of Year	60,016	60,016	60,016	-
Prior Year Encumbrances Appropriated	861	861	861	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 41,516</u>	<u>\$ 40,516</u>	<u>\$ 72,112</u>	<u>\$ 31,596</u>

**Public School Support Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 60,100	\$ 60,100	\$ 5,492	\$ (54,608)
<b>Expenditures and Other Financing Uses</b>	80,139	80,139	6,007	74,132
Net Change in Budgetary Fund Balance	(20,039)	(20,039)	(515)	19,524
Budgetary Fund Balance - Beginning of Year	43,707	43,707	43,707	-
Prior Year Encumbrances Appropriated	139	139	139	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 23,807</u>	<u>\$ 23,807</u>	<u>\$ 43,331</u>	<u>\$ 19,524</u>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Other Grants Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 190,000	\$ 190,000	\$ 247,772	\$ 57,772
<b>Expenditures and Other Financing Uses</b>	190,980	190,980	155,232	35,748
Net Change in Budgetary Fund Balance	(980)	(980)	92,540	93,520
Budgetary Fund Balance - Beginning of Year	113,875	113,875	113,875	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 112,895</u>	<u>\$ 112,895</u>	<u>\$ 206,415</u>	<u>\$ 93,520</u>

**Classroom Facilities Maintenance Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 530,000	\$ 530,000	\$ 551,675	\$ 21,675
<b>Expenditures and Other Financing Uses</b>	432,603	432,603	259,796	172,807
Net Change in Budgetary Fund Balance	97,397	97,397	291,879	194,482
Budgetary Fund Balance - Beginning of Year	2,210,265	2,210,265	2,210,265	-
Prior Year Encumbrances Appropriated	82,603	82,603	82,603	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 2,390,265</u>	<u>\$ 2,390,265</u>	<u>\$ 2,584,747</u>	<u>\$ 194,482</u>



**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Termination Benefits Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures and Other Financing Uses</b>	21,089	21,089	8,473	12,616
Net Change in Budgetary Fund Balance	(21,089)	(21,089)	(8,473)	12,616
Budgetary Fund Balance - Beginning of Year	63,240	63,240	63,240	-
Prior Year Encumbrances Appropriated	1,089	1,089	1,089	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 43,240</u>	<u>\$ 43,240</u>	<u>\$ 55,856</u>	<u>\$ 12,616</u>

**District Managed Activity Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 225,000	\$ 225,000	\$ 150,327	\$ (74,673)
<b>Expenditures and Other Financing Uses</b>	281,882	281,882	147,067	134,815
Net Change in Budgetary Fund Balance	(56,882)	(56,882)	3,260	60,142
Budgetary Fund Balance - Beginning of Year	36,007	36,007	36,007	-
Prior Year Encumbrances Appropriated	21,882	21,882	21,882	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 1,007</u>	<u>\$ 1,007</u>	<u>\$ 61,149</u>	<u>\$ 60,142</u>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Auxiliary Services Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 688,000	\$ 758,000	\$ 749,905	\$ (8,095)
<b>Expenditures and Other Financing Uses</b>	786,990	906,990	897,872	9,118
Net Change in Budgetary Fund Balance	(98,990)	(148,990)	(147,967)	1,023
Budgetary Fund Balance - Beginning of Year	39,703	39,703	39,703	-
Prior Year Encumbrances Appropriated	110,290	110,290	110,290	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 51,003</b>	<b>\$ 1,003</b>	<b>\$ 2,026</b>	<b>\$ 1,023</b>

**Student Wellness & Success Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 1,787,978	\$ 1,787,978	\$ 1,641,451	\$ (146,527)
<b>Expenditures and Other Financing Uses</b>	1,620,967	1,620,967	1,341,081	279,886
Net Change in Budgetary Fund Balance	167,011	167,011	300,370	133,359
Budgetary Fund Balance - Beginning of Year	381,928	381,928	381,928	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 548,939</b>	<b>\$ 548,939</b>	<b>\$ 682,298</b>	<b>\$ 133,359</b>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Public School Preschool Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 286,000	\$ 286,000	\$ 285,445	\$ (555)
<b>Expenditures and Other Financing Uses</b>	286,000	286,000	285,445	555
Net Change in Budgetary Fund Balance	-	-	-	-
Budgetary Fund Balance - Beginning of Year	-	-	-	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Miscellaneous State Grants Fund**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues and Other Financing Sources</b>	\$ 45,000	\$ 45,000	\$ 27,542	\$ (17,458)
<b>Expenditures and Other Financing Uses</b>	127,460	127,460	95,189	32,271
Net Change in Budgetary Fund Balance	(82,460)	(82,460)	(67,647)	14,813
Budgetary Fund Balance - Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	82,460	82,460	82,460	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,813</u>	<u>\$ 14,813</u>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Elementary and Secondary School Emergency Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 2,275,000	\$ 3,724,300	\$ 3,533,859	\$ (190,441)
<b>Expenditures and Other Financing Uses</b>	3,020,928	4,474,300	4,283,488	190,812
Net Change in Budgetary Fund Balance	(745,928)	(750,000)	(749,629)	371
Budgetary Fund Balance - Beginning of Year	4,072	4,072	4,072	-
Prior Year Encumbrances Appropriated	745,928	745,928	745,928	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 4,072</b>	<b>\$ -</b>	<b>\$ 371</b>	<b>\$ 371</b>

**IDEA, Part B Special Education, Education of Handicapped Children Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 1,810,000	\$ 1,920,000	\$ 1,824,713	\$ (95,287)
<b>Expenditures and Other Financing Uses</b>	2,126,553	2,240,531	2,146,787	93,744
Net Change in Budgetary Fund Balance	(316,553)	(320,531)	(322,074)	(1,543)
Budgetary Fund Balance - Beginning of Year	815	815	815	-
Prior Year Encumbrances Appropriated	321,259	321,259	321,259	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 5,521</b>	<b>\$ 1,543</b>	<b>\$ -</b>	<b>\$ (1,543)</b>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Coronavirus Relief Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 304,212	\$ 304,212	\$ 304,212	\$ -
<b>Expenditures and Other Financing Uses</b>	304,212	304,212	304,212	-
Net Change in Budgetary Fund Balance	-	-	-	-
Budgetary Fund Balance - Beginning of Year	-	-	-	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Project Head Start Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 165,000	\$ 178,190	\$ 178,190	\$ -
<b>Expenditures and Other Financing Uses</b>	174,624	188,240	188,240	-
Net Change in Budgetary Fund Balance	(9,624)	(10,050)	(10,050)	-
Budgetary Fund Balance - Beginning of Year	10,050	10,050	10,050	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 426</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Title III - Limited English Proficiency Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ -	\$ -	\$ -	\$ -
<b>Expenditures and Other Financing Uses</b>	160	160	-	160
Net Change in Budgetary Fund Balance	(160)	(160)	-	160
Budgetary Fund Balance - Beginning of Year	160	160	160	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160</u>	<u>\$ 160</u>

**Title I - Disadvantaged Children/Targeted Assistance Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 3,600,000	\$ 4,695,000	\$ 2,764,860	\$ (1,930,140)
<b>Expenditures and Other Financing Uses</b>	3,594,968	4,714,346	2,759,232	1,955,114
Net Change in Budgetary Fund Balance	5,032	(19,346)	5,628	24,974
Budgetary Fund Balance - Beginning of Year	7,105	7,105	7,105	-
Prior Year Encumbrances Appropriated	14,184	14,184	14,184	-
<b>Budgetary Fund Balance - End of Year</b>	<u>\$ 26,321</u>	<u>\$ 1,943</u>	<u>\$ 26,917</u>	<u>\$ 24,974</u>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**IDEA Preschool Grant for the Handicapped Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 42,000	\$ 50,000	\$ 28,955	\$ (21,045)
<b>Expenditures and Other Financing Uses</b>	41,783	51,273	29,830	21,443
Net Change in Budgetary Fund Balance	217	(1,273)	(875)	398
Budgetary Fund Balance - Beginning of Year	1,464	1,464	1,464	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 1,681</b>	<b>\$ 191</b>	<b>\$ 589</b>	<b>\$ 398</b>

**Improving Teacher Quality Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 425,000	\$ 515,000	\$ 273,077	\$ (241,923)
<b>Expenditures and Other Financing Uses</b>	438,077	528,568	288,812	239,756
Net Change in Budgetary Fund Balance	(13,077)	(13,568)	(15,735)	(2,167)
Budgetary Fund Balance - Beginning of Year	580	580	580	-
Prior Year Encumbrances Appropriated	16,190	16,190	16,190	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 3,693</b>	<b>\$ 3,202</b>	<b>\$ 1,035</b>	<b>\$ (2,167)</b>

**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2021  
(continued)*

**Miscellaneous Federal Grants Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 230,000	\$ 425,000	\$ 94,748	\$ (330,252)
<b>Expenditures and Other Financing Uses</b>	229,029	415,148	97,037	318,111
Net Change in Budgetary Fund Balance	971	9,852	(2,289)	(12,141)
Budgetary Fund Balance - Beginning of Year	302	302	302	-
Prior Year Encumbrances Appropriated	1,987	1,987	1,987	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 3,260</b>	<b>\$ 12,141</b>	<b>\$ -</b>	<b>\$ (12,141)</b>

**Permanent Improvement Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 1,489,791	\$ 1,489,791	\$ 1,684,413	\$ 194,622
<b>Expenditures and Other Financing Uses</b>	1,052,218	1,277,218	1,251,662	25,556
Net Change in Budgetary Fund Balance	437,573	212,573	432,751	220,178
Budgetary Fund Balance - Beginning of Year	1,910,719	1,910,719	1,910,719	-
Prior Year Encumbrances Appropriated	61,279	61,279	61,279	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 2,409,571</b>	<b>\$ 2,184,571</b>	<b>\$ 2,404,749</b>	<b>\$ 220,178</b>



**Euclid City School District**

*Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual*

*(Non-GAAP Budgetary Basis)*

*For the Fiscal Year Ended June 30, 2021*

*(continued)*

**Replacement Fund**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues and Other Financing Sources</b>	\$ 43,750	\$ 43,750	\$ 42,672	\$ (1,078)
<b>Expenditures and Other Financing Uses</b>	38,000	53,000	48,502	4,498
Net Change in Budgetary Fund Balance	5,750	(9,250)	(5,830)	3,420
Budgetary Fund Balance - Beginning of Year	45,372	45,372	45,372	-
<b>Budgetary Fund Balance - End of Year</b>	<b>\$ 51,122</b>	<b>\$ 36,122</b>	<b>\$ 39,542</b>	<b>\$ 3,420</b>

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# Euclid City School District

## *Statistical Section*

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	<b>S2 – S15</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the School District's most significant local revenue sources and property taxes.	<b>S16 – S22</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	<b>S23 – S27</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	<b>S28 – S29</b>
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	<b>S30 – S41</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the basic financial statements for the relevant year.

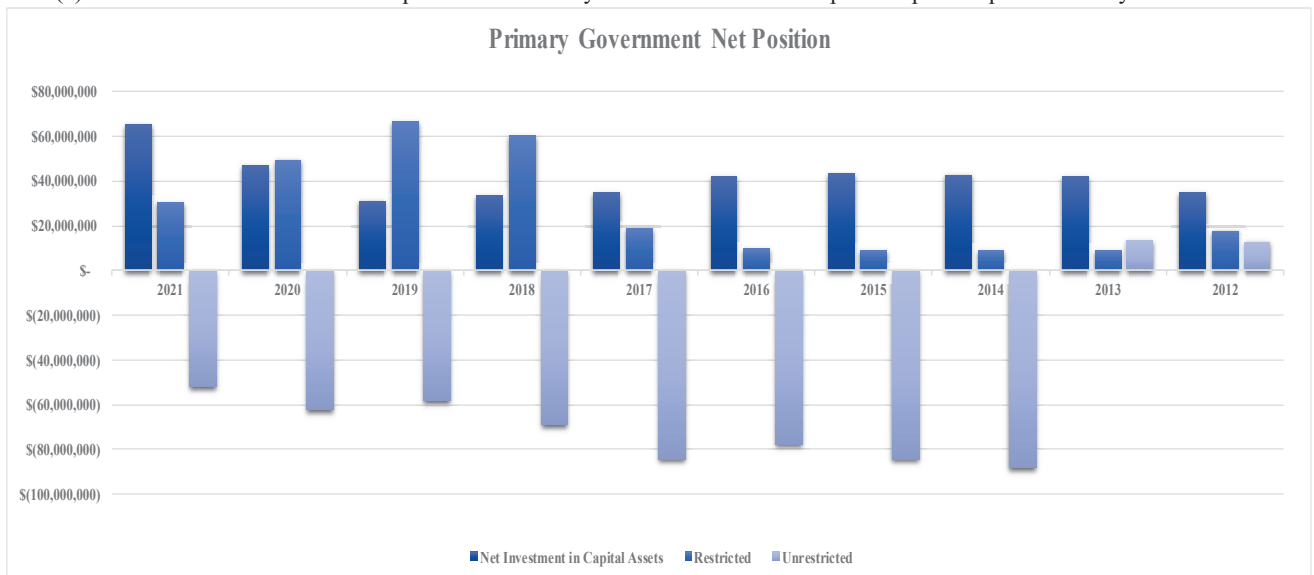
## Euclid City School District

### *Net Position by Component Accrual Basis of Accounting Last Ten Fiscal Years*

	2021	2020	2019	2018 (a)
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$ 65,130,453	\$ 46,364,750	\$ 30,374,205	\$ 33,107,881
Restricted for:				
Capital Projects	14,633,061	35,081,012	52,360,956	48,235,096
Debt Service	11,484,746	11,252,001	11,482,116	9,915,190
State Funded Programs	697,388	302,309	50,894	86,113
Federally Funded Programs	78,886	4,316	-	-
Classroom Facilities Maintenance	2,630,720	2,292,868	1,931,177	1,626,588
Student Activities	116,180	57,943	28,632	22,179
Set-Asides	476,511	476,511	476,511	476,511
Other Purposes	257,604	134,078	98,585	110,382
Unrestricted	(52,090,249)	(61,509,261)	(57,221,491)	(68,103,948)
<i>Total Governmental Activities Net Position</i>	<u>43,415,300</u>	<u>34,456,527</u>	<u>39,581,585</u>	<u>25,475,992</u>
<b>Business-Type Activities:</b>				
Investment in Capital Assets	409,218	472,545	366,434	410,648
Unrestricted	(133,516)	(785,303)	(600,106)	(802,442)
<i>Total Business-Type Activities Net Position</i>	<u>275,702</u>	<u>(312,758)</u>	<u>(233,672)</u>	<u>(391,794)</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	65,539,671	46,837,295	30,740,639	33,518,529
Restricted	30,375,096	49,601,038	66,428,871	60,472,059
Unrestricted	(52,223,765)	(62,294,564)	(57,821,597)	(68,906,390)
<i>Total Primary Government Net Position</i>	<u>\$ 43,691,002</u>	<u>\$ 34,143,769</u>	<u>\$ 39,347,913</u>	<u>\$ 25,084,198</u>

**Notes:**

- (a) GASB Statement No. 75 was implemented in fiscal year 2018 and does not impact net position prior to fiscal year 2017.
- (b) GASB Statement No. 68 was implemented in fiscal year 2015 and does not impact net position prior to fiscal year 2014.



2017	2016	2015	2014 (b)	2013	Restated 2012
\$ 34,024,515	\$ 41,596,409	\$ 42,541,087	\$ 41,760,027	\$ 41,111,623	\$ 34,828,640
6,548,027	3,248,866	3,378,610	2,894,337	3,727,932	11,015,476
10,369,751	4,171,701	3,724,728	4,058,201	4,100,012	4,489,558
51,961	128,115	70,870	70,898	118,094	120,815
-	522	30,364	52,778	104,230	309,479
1,329,315	1,300,962	1,305,850	1,212,917	709,189	479,898
1,412	20,254	15,674	16,753	44,431	51,048
476,511	476,511	476,511	476,511	476,511	1,276,135
22,673	49,315	50,654	82,342	51,016	18,848
<u>(83,784,735)</u>	<u>(76,853,896)</u>	<u>(83,010,869)</u>	<u>(86,523,887)</u>	<u>12,756,464</u>	<u>12,361,747</u>
<u>(30,960,570)</u>	<u>(25,861,241)</u>	<u>(31,416,521)</u>	<u>(35,899,123)</u>	<u>63,199,502</u>	<u>64,951,644</u>
456,179	492,400	539,565	586,730	636,854	42,001
<u>(489,485)</u>	<u>(705,056)</u>	<u>(1,111,155)</u>	<u>(1,360,863)</u>	<u>500,877</u>	<u>535,855</u>
<u>(33,306)</u>	<u>(212,656)</u>	<u>(571,590)</u>	<u>(774,133)</u>	<u>1,137,731</u>	<u>577,856</u>
34,480,694	42,088,809	43,080,652	42,346,757	41,748,477	34,870,641
18,799,650	9,396,246	9,053,261	8,864,737	9,331,415	17,761,257
<u>(84,274,220)</u>	<u>(77,558,952)</u>	<u>(84,122,024)</u>	<u>(87,884,750)</u>	<u>13,257,341</u>	<u>12,897,602</u>
<u>\$ (30,993,876)</u>	<u>\$ (26,073,897)</u>	<u>\$ (31,988,111)</u>	<u>\$ (36,673,256)</u>	<u>\$ 64,337,233</u>	<u>\$ 65,529,500</u>

## Euclid City School District

### *Changes in Net Position Accrual Basis of Accounting Last Ten Fiscal Years*

<u>Expenses</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b><i>Governmental Activities:</i></b>			
Instruction:			
Regular	\$ 29,827,477	\$ 29,842,567	\$ 24,733,896
Special	19,237,917	20,281,045	17,003,235
Vocational	1,828,129	2,170,098	1,554,730
Adult/Continuing	-	-	-
Other	118,952	47,394	41,842
Supporting Services:			
Pupils	6,948,743	7,354,253	6,010,772
Instructional Staff	2,695,766	2,178,093	1,763,247
Board of Education	105,493	45,164	67,362
Administration	4,636,107	4,832,672	3,451,738
Fiscal Services	2,292,788	2,388,217	2,354,471
Business	512,335	519,018	996,073
Operation and Maintenance of Plant Services	5,703,489	6,166,687	5,773,796
Pupil Transportation	4,386,361	4,998,460	6,736,190
Central	2,486,115	2,137,417	2,594,281
Operation of Non-Instructional Services	1,354,330	1,091,140	1,063,305
Extracurricular Activities	707,609	964,399	1,143,895
Interest and Fiscal Charges	5,739,158	5,967,012	5,241,993
	<u>88,580,769</u>	<u>90,983,636</u>	<u>80,530,826</u>
<b><i>Business-Type Activities:</i></b>			
Food Services	1,835,518	2,797,637	2,690,932
Uniform School Supplies	-	-	-
Customer Services	12,277	19,130	26,892
	<u>1,847,795</u>	<u>2,816,767</u>	<u>2,717,824</u>
	<u>\$ 90,428,564</u>	<u>\$ 93,800,403</u>	<u>\$ 83,248,650</u>
<b><u>Program Revenues</u></b>			
<b><i>Governmental Activities:</i></b>			
<b><u>Charges for Services:</u></b>			
Instruction:			
Regular	\$ 1,171,957	\$ 1,310,166	\$ 1,238,822
Special	-	-	-
Vocational	-	-	-
Supporting Services:			
Administration	-	-	-
Fiscal Services	-	96,782	65,963
Business	37,250	-	-
Operation and Maintenance of Plant Services	207,887	77,371	84,727
Pupil Transportation	7,618	18,578	30,474
Central	8,347	6,401	5,903
Operation of Non-Instructional Services	-	-	-
Extracurricular Activities	115,778	135,474	226,475
Total Charges for Services	<u>1,548,837</u>	<u>1,644,772</u>	<u>1,652,364</u>

2018	2017	2016	2015	2014	2013	2012
\$ 10,938,077	\$ 32,069,104	\$ 29,249,527	\$ 26,929,027	\$ 28,523,851	\$ 25,854,329	\$ 25,842,967
10,603,372	16,836,666	16,933,301	17,498,876	16,727,493	15,998,660	15,583,365
758,961	1,318,036	1,149,487	1,116,634	1,188,650	1,123,135	1,311,831
-	-	-	-	4,812	127,155	152,170
12,533	82,655	54,538	24,478	35,288	24,037	12,978
3,549,229	7,643,438	6,650,201	6,394,045	6,303,209	4,391,061	4,493,068
476,684	4,491,916	5,135,370	3,058,516	2,985,751	5,383,985	5,288,715
43,582	57,230	87,800	57,323	126,078	96,477	205,005
(408,856)	5,709,198	5,127,739	5,178,735	5,394,761	4,745,436	4,779,028
2,358,695	2,343,510	2,076,228	1,965,151	1,973,807	2,009,442	1,904,032
354,973	651,351	798,618	640,879	734,019	594,531	616,646
5,610,895	6,902,331	6,619,964	6,977,602	7,103,981	6,930,699	7,099,301
6,595,739	5,628,883	5,592,852	4,654,039	4,735,717	4,519,965	4,851,679
1,432,485	1,820,383	1,723,622	1,649,986	1,912,031	1,710,140	1,637,045
681,298	1,101,236	319,432	786,421	1,280,188	879,096	815,280
763,900	1,243,801	1,274,511	1,100,794	1,124,057	1,025,761	1,099,543
5,247,002	3,236,870	1,207,684	1,597,092	1,926,077	1,959,815	2,045,555
49,018,569	91,136,608	84,000,874	79,629,598	82,079,770	77,373,724	77,738,208
2,314,866	2,465,772	2,477,170	2,424,539	2,419,472	2,401,155	2,396,687
-	-	-	-	-	2,683	6,424
26,710	38,894	26,666	8,647	89,468	571,772	601,315
2,341,576	2,504,666	2,503,836	2,433,186	2,508,940	2,975,610	3,004,426
\$ 51,360,145	\$ 93,641,274	\$ 86,504,710	\$ 82,062,784	\$ 84,588,710	\$ 80,349,334	\$ 80,742,634
\$ 999,022	\$ 285,036	\$ 691,573	\$ 554,222	\$ 222,585	\$ 181,918	\$ 170,638
-	525,533	-	-	-	2,021	13,335
-	78,080	60,436	44,771	94,668	29,680	36,895
-	-	-	-	-	3,893	15,852
-	-	-	-	-	-	-
-	-	-	-	-	-	-
70,930	53,607	46,268	20,515	26,185	21,223	22,953
39,554	20,861	18,354	8,981	31,238	35,942	48,858
-	-	-	-	13,500	13,500	-
-	-	30,697	640,647	-	-	-
223,654	215,743	245,638	259,727	300,623	321,935	290,917
1,333,160	1,178,860	1,092,966	1,528,863	688,799	610,112	599,448

## Euclid City School District

### *Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Fiscal Years*

	2021	2020	2019
<b><u>Program Revenues</u></b> <i>(Continued)</i>			
<b><u>Governmental Activities:</u></b>			
<b><u>Operating Grants and Contributions:</u></b>			
Instruction:			
Regular	2,256,519	1,247,533	610,180
Special	15,214,250	6,388,690	7,049,117
Vocational	419,794	419,793	407,843
Adult/Continuing	-	-	-
Other	-	-	-
Supporting Services:			
Pupils	2,087,944	525,492	431,743
Instructional Staff	1,056,779	693,138	689,889
Administration	168,634	120,612	154,618
Fiscal Services	61,383	80,496	37,741
Business	25,893	-	-
Operation and Maintenance of Plant Services	219,894	1,646,299	336,401
Pupil Transportation	-	-	-
Central	128,707	-	14,910
Operation of Non-Instructional Services	1,386,703	954,157	967,899
Extracurricular Activities	17,803	36,646	31,242
Interest and Fiscal Charges	-	-	-
Total Operating Grants and Contributions	23,044,303	12,112,856	10,731,583
<b><u>Capital Grants and Contributions:</u></b>			
Supporting Services:			
Operation and Maintenance of Plant Services	-	478,517	201,200
Operation of Non-Instructional Services	-	-	-
Total Capital Grants and Contributions	-	478,517	201,200
<i>Total Governmental Activities Program Revenues</i>	24,593,140	14,236,145	12,585,147
<b><u>Business-Type Activities:</u></b>			
<b><u>Charges for Services:</u></b>			
Food Services	11,624	98,560	123,446
Customer Services	2,768	12,312	14,165
Total Charges for Services	14,392	110,872	137,611
<b><u>Operating Grants and Contributions:</u></b>			
Food Services	2,383,832	2,528,226	2,660,341
Customer Services	-	-	7,103
Total Operating Grants and Contributions	2,383,832	2,528,226	2,667,444
<i>Total Business-Type Activities Program Revenues</i>	2,398,224	2,639,098	2,805,055
<i>Total Primary Government Program Revenues</i>	\$ 26,991,364	\$ 16,875,243	\$ 15,390,202



<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
819,460	544,446	387,142	5,522,025	710,530	1,077,988	1,670,385
7,245,986	4,062,855	6,734,863	1,122,325	3,572,438	2,552,767	1,969,358
439,949	404,019	-	-	-	-	-
-	-	-	-	3,650	131,775	123,152
-	-	-	-	-	-	14,330
406,486	352,909	264,143	216,577	263,801	32,414	277,844
714,847	2,276,939	2,029,538	917,025	982,949	1,426,712	1,363,661
156,425	169,188	136,207	144,714	158,991	140,866	41,612
2,552	65,101	31,707	68,825	36,255	203,962	1,068
-	-	-	-	-	-	-
291,859	139,479	577	2,371	872	19,119	29,520
-	-	-	-	-	42,147	42,147
-	-	4,670	-	-	-	-
836,386	855,251	743,723	140,118	806,356	850,739	858,507
68,481	23,134	40,672	6,336	-	-	-
-	-	-	-	429,587	-	-
<u>10,982,431</u>	<u>8,893,321</u>	<u>10,373,242</u>	<u>8,140,316</u>	<u>6,965,429</u>	<u>6,478,489</u>	<u>6,391,584</u>
-	3,246	-	-	1,544,867	-	-
-	-	-	-	4,105	-	-
<u>-</u>	<u>3,246</u>	<u>-</u>	<u>-</u>	<u>1,548,972</u>	<u>-</u>	<u>-</u>
<u>12,315,591</u>	<u>10,075,427</u>	<u>11,466,208</u>	<u>9,669,179</u>	<u>9,203,200</u>	<u>7,088,601</u>	<u>6,991,032</u>
100,909	251,985	302,856	315,018	317,284	324,234	391,017
10,820	14,662	7,885	15,470	44,222	554,770	598,559
<u>111,729</u>	<u>266,647</u>	<u>310,741</u>	<u>330,488</u>	<u>361,506</u>	<u>879,004</u>	<u>989,576</u>
2,569,016	2,341,468	2,453,208	2,305,419	2,224,500	1,987,086	2,066,628
5,017	9,985	-	-	73,096	-	-
<u>2,574,033</u>	<u>2,351,453</u>	<u>2,453,208</u>	<u>2,305,419</u>	<u>2,297,596</u>	<u>1,987,086</u>	<u>2,066,628</u>
<u>2,685,762</u>	<u>2,618,100</u>	<u>2,763,949</u>	<u>2,635,907</u>	<u>2,659,102</u>	<u>2,866,090</u>	<u>3,056,204</u>
<u>\$ 15,001,353</u>	<u>\$ 12,693,527</u>	<u>\$ 14,230,157</u>	<u>\$ 12,305,086</u>	<u>\$ 11,862,302</u>	<u>\$ 9,954,691</u>	<u>\$ 10,047,236</u>

## Euclid City School District

### Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Fiscal Years

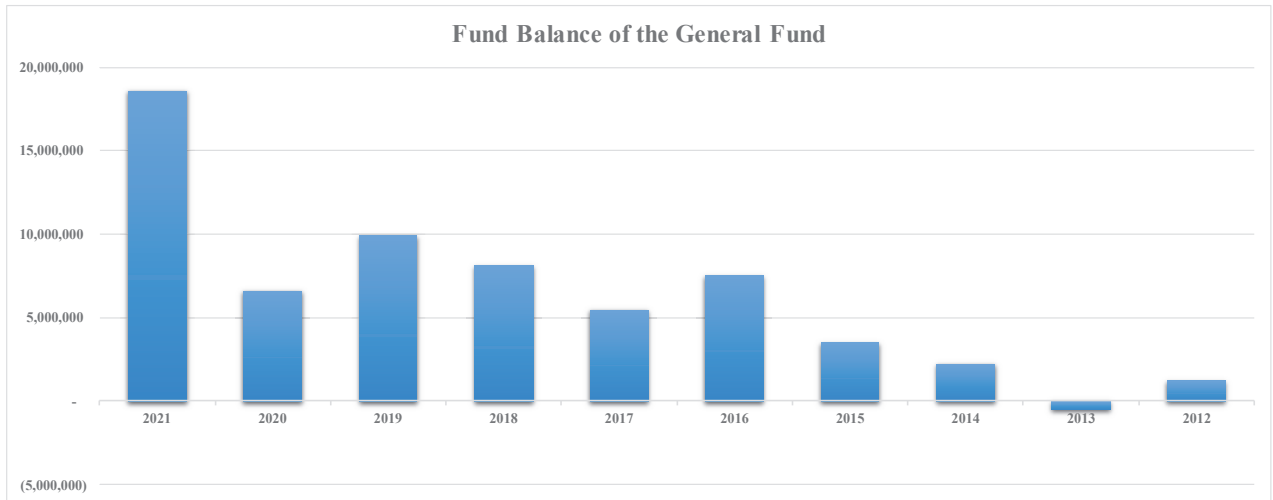
	2021	2020	2019
<b><u>Net (Expense)/Revenue</u></b>			
<i>Governmental Activities</i>	\$(63,987,629)	\$(76,747,491)	\$(67,945,679)
<i>Business-Type Activities</i>	550,429	(177,669)	87,231
<i>Total Primary Government Net Expense</i>	\$(63,437,200)	\$(76,925,160)	\$(67,858,448)
<b><u>General Revenues and Transfers</u></b>			
<b><i>Governmental Activities:</i></b>			
Property Taxes levied for:			
General Purposes	\$ 35,791,645	\$ 29,289,984	\$ 34,428,120
Debt Service Purpose	7,625,130	6,292,202	8,277,877
Capital Outlay	549,165	335,507	566,482
Other Purposes	251,698	246,356	248,518
Income Taxes levied for:			
General Purposes	8,227,368	6,523,878	5,751,255
Payments in Lieu of Taxes	443,916	89,431	72,241
Grants & Entitlements not restricted to specific programs	17,977,870	26,174,696	29,163,174
Earnings on Investments	100,459	1,937,110	2,994,429
Gain (Loss) on Sale of Capital Assets	-	-	460,985
Miscellaneous Revenues	1,989,151	763,650	88,191
Grant from School Facilities Commission	-	-	-
<b>Transfers</b>	(10,000)	(30,381)	-
<i>Total Governmental Activities General Revenues and Transfers</i>	72,946,402	71,622,433	82,051,272
<b><i>Business-Type Activities:</i></b>			
Earnings on Investments	9,268	28,337	33,346
Miscellaneous Revenues	18,763	39,865	37,545
<b>Transfers</b>	10,000	30,381	-
<i>Total Business-Type Activities General Revenues and Transfers</i>	38,031	98,583	70,891
<i>Total Primary Government General Revenues and Transfers</i>	\$ 72,984,433	\$ 71,721,016	\$ 82,122,163
<b><u>Change in Net Position</u></b>			
<i>Governmental Activities</i>	\$ 8,958,773	\$ (5,125,058)	\$ 14,105,593
<i>Business-Type Activities</i>	588,460	(79,086)	158,122
<i>Total Primary Government Change in Net Position</i>	\$ 9,547,233	\$ (5,204,144)	\$ 14,263,715

2018	2017	2016	2015	2014	2013	2012
\$ (36,702,978)	\$ (81,061,181)	\$ (72,534,666)	\$ (69,960,419)	\$ (72,876,570)	\$ (70,285,123)	\$ (70,747,176)
<u>344,186</u>	<u>113,434</u>	<u>260,113</u>	<u>202,721</u>	<u>150,162</u>	<u>(109,520)</u>	<u>51,778</u>
<u>\$ (36,358,792)</u>	<u>\$ (80,947,747)</u>	<u>\$ (72,274,553)</u>	<u>\$ (69,757,698)</u>	<u>\$ (72,726,408)</u>	<u>\$ (70,394,643)</u>	<u>\$ (70,695,398)</u>
\$ 35,958,093	\$ 31,784,803	\$ 39,828,646	\$ 36,127,360	\$ 39,219,098	\$ 31,667,892	\$ 31,759,316
6,690,354	6,321,624	2,935,859	2,870,466	3,615,611	2,797,652	3,297,770
447,801	291,078	574,104	646,499	393,418	259,797	785,137
243,813	238,984	242,900	120,284	-	-	-
6,082,699	6,196,339	6,098,827	6,189,984	6,081,191	6,115,885	5,885,496
80,482	60,570	64,303	87,391	31,043	39,723	109,124
27,413,022	29,000,344	27,273,643	26,960,587	28,203,345	27,282,085	29,756,947
1,246,189	788,762	257,872	237,835	16,217	78,912	46,868
10,377	36,162	138,545	15,564	10,287	-	-
1,072,115	1,244,300	675,247	1,147,036	719,328	925,533	70,918
39,891,191	-	-	-	-	-	-
-	(1,114)	-	40,015	(57,048)	(634,498)	-
<u>119,136,136</u>	<u>75,961,852</u>	<u>78,089,946</u>	<u>74,443,021</u>	<u>78,232,490</u>	<u>68,532,981</u>	<u>71,711,576</u>
18,497	27,135	18,982	15,729	768	1	35
42,324	37,667	79,839	24,108	34,155	34,896	9,620
-	1,114	-	(40,015)	57,048	634,498	-
<u>60,821</u>	<u>65,916</u>	<u>98,821</u>	<u>(178)</u>	<u>91,971</u>	<u>669,395</u>	<u>9,655</u>
<u>\$ 119,196,957</u>	<u>\$ 76,027,768</u>	<u>\$ 78,188,767</u>	<u>\$ 74,442,843</u>	<u>\$ 78,324,461</u>	<u>\$ 69,202,376</u>	<u>\$ 71,721,231</u>
\$ 82,433,158	\$ (5,099,329)	\$ 5,555,280	\$ 4,482,602	\$ 5,355,920	\$ (1,752,142)	\$ 964,400
<u>405,007</u>	<u>179,350</u>	<u>358,934</u>	<u>202,543</u>	<u>242,133</u>	<u>559,875</u>	<u>61,433</u>
<u>\$ 82,838,165</u>	<u>\$ (4,919,979)</u>	<u>\$ 5,914,214</u>	<u>\$ 4,685,145</u>	<u>\$ 5,598,053</u>	<u>\$ (1,192,267)</u>	<u>\$ 1,025,833</u>

## Euclid City School District

### *Fund Balances – Governmental Funds Modified Accrual Basis of Accounting Last Ten Fiscal Years*

	2021	2020	2019	2018
<b>General Fund</b>				
Nonspendable	\$ 120,029	\$ 105,643	\$ 119,921	\$ 136,636
Committed	56,086	64,329	66,147	80,159
Assigned	1,003,172	2,992,872	4,300,326	5,439,287
Unassigned	17,434,721	3,392,013	5,394,941	2,414,434
<i>Total General Fund</i>	<u>18,614,008</u>	<u>6,554,857</u>	<u>9,881,335</u>	<u>8,070,516</u>
<b>All Other Governmental Funds</b>				
Nonspendable	57,581	64,153	65,104	68,947
Restricted	31,358,040	50,638,933	72,044,862	100,991,652
Committed	23,302	22,289	21,668	23,472
Assigned	52,705	35,727	31,830	37,052
Unassigned	(2,082,867)	(950,334)	(566,463)	(646,324)
<i>Total All Other Governmental Funds</i>	<u>29,408,761</u>	<u>49,810,768</u>	<u>71,597,001</u>	<u>100,474,799</u>
 <i>Total Governmental Funds</i>	 <u>\$ 48,022,769</u>	 <u>\$ 56,365,625</u>	 <u>\$ 81,478,336</u>	 <u>\$ 108,545,315</u>



2017	2016	2015	2014	2013	2012
\$ 122,427	\$ 16,265	\$ 59,505	\$ 41,928	\$ 107,155	\$ 216,488
37,004	64,865	97,787	121,624	186,738	247,764
1,642,670	1,499,825	1,349,137	1,819,507	57,715	48,109
3,603,226	5,971,568	1,980,011	243,790	(865,885)	688,774
<u>5,405,327</u>	<u>7,552,523</u>	<u>3,486,440</u>	<u>2,226,849</u>	<u>(514,277)</u>	<u>1,201,135</u>
72,790	-	2,488	-	-	165,734
108,779,397	8,138,370	8,127,604	7,897,855	8,613,858	19,376,202
21,903	48,545	46,689	81,741	50,415	18,848
46,318	51,997	47,904	56,684	101,143	143,947
(657,709)	(634,311)	(310,841)	(335,919)	(344,294)	(579,057)
<u>108,262,699</u>	<u>7,604,601</u>	<u>7,913,844</u>	<u>7,700,361</u>	<u>8,421,122</u>	<u>19,125,674</u>
<u>\$ 113,668,026</u>	<u>\$ 15,157,124</u>	<u>\$ 11,400,284</u>	<u>\$ 9,927,210</u>	<u>\$ 7,906,845</u>	<u>\$ 20,326,809</u>

## Euclid City School District

### Changes in Fund Balances – Governmental Funds Modified Accrual Basis of Accounting Last Ten Fiscal Years

	2021	2020	2019	2018
<b>Revenues:</b>				
Taxes:				
Property	\$ 44,333,654	\$ 36,135,783	\$ 44,320,076	\$ 44,274,980
Income	8,227,368	6,523,878	5,751,255	6,082,699
Other Local	-	-	-	4,764
Tuition	1,065,636	1,223,783	1,293,734	877,272
Transportation Fees	44,868	18,578	30,474	39,554
Earning on Investments	134,991	2,074,946	2,912,749	1,131,945
Extracurricular Activities	115,778	135,474	197,469	217,174
Classroom Materials and Fees	13,533	19,947	22,649	16,184
Rentals	238,127	185,368	131,696	116,290
Contributions and Donations from Private Sources	224,559	49,867	298,060	104,154
Miscellaneous Revenues	2,366,554	783,159	925,289	1,331,411
Revenues from State Sources:				
Unrestricted Grants-in-Aid	25,680,020	26,174,696	29,163,174	27,413,022
Restricted Grants-in-Aid	12,472,215	25,987,024	12,292,068	12,615,561
Revenues from Federal Sources:				
Restricted Grants-in-Aid	8,923,031	4,272,838	4,780,839	4,493,796
Payments in Lieu of Taxes	443,916	-	-	-
<i>Total Revenues</i>	<u>104,284,250</u>	<u>103,585,341</u>	<u>102,119,532</u>	<u>98,718,806</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	25,608,749	25,605,948	27,024,999	27,156,769
Special	18,921,704	19,992,152	19,052,141	18,162,526
Vocational	1,816,086	2,140,477	1,753,957	1,496,232
Adult/Continuing	-	-	-	-
Other	117,256	44,724	62,221	81,669
Supporting Services:				
Pupils	7,110,303	7,067,147	6,982,683	7,135,561
Instructional Staff	2,534,247	2,036,905	2,142,230	2,533,637
Board of Education	45,618	43,896	69,879	49,066
Administration	4,518,586	4,576,618	4,750,178	4,891,811
Fiscal Services	2,369,738	2,347,384	2,446,670	2,658,880
Business	547,642	490,728	1,097,442	478,452
Operation and Maintenance of Plant Services	6,192,701	5,935,938	6,508,391	6,286,906
Pupil Transportation	4,380,014	4,986,392	6,682,416	6,491,153
Central	2,456,876	1,938,494	2,607,871	1,586,302
Operation of Non-Instructional Services	1,356,975	1,076,105	1,113,005	910,771
Extracurricular Activities	722,906	932,146	1,274,543	1,203,848
Facilities Acquisition and Construction Services	25,564,081	55,120,076	39,105,030	15,738,944
Debt Service:				
Principal Retirements	1,689,181	1,985,897	1,893,154	2,315,816
Interest and Fiscal Charges	5,682,692	5,926,410	5,255,479	4,675,674
Debt Issuance Costs	-	-	-	-
Current Refunding Escrow	-	-	-	-
<i>Total Expenditures</i>	<u>111,635,355</u>	<u>142,247,437</u>	<u>129,822,289</u>	<u>103,854,017</u>
Excess (Deficiency) of Revenues over Expenditures	(7,351,105)	(38,662,096)	(27,702,757)	(5,135,211)

2017	2016 (a)	2015	2014	2013	2012
\$ 37,618,064	\$ 43,312,812	\$ -	\$ -	\$ -	\$ -
6,196,339	6,098,827	-	-	-	-
-	-	45,594,004	47,893,467	42,972,228	41,440,312
664,771	769,567	497,350	146,448	102,590	53,523
20,861	23,726	12,869	55,705	37,963	60,399
782,873	254,928	237,835	16,217	78,912	46,868
204,856	236,876	254,664	269,970	321,935	279,206
4,980	-	16,433	81,095	109,008	71,143
96,480	59,207	-	-	-	-
75,633	77,775	29,705	6,186	-	-
1,256,081	706,749	1,189,401	819,430	631,335	209,515
29,000,344	27,133,666	36,008,756	37,092,322	34,447,396	54,862,293
4,110,466	4,905,594	-	-	-	-
4,416,604	5,321,408	-	-	-	-
-	-	-	-	-	-
<u>84,448,352</u>	<u>88,901,135</u>	<u>83,841,017</u>	<u>86,380,840</u>	<u>78,701,367</u>	<u>97,023,259</u>
27,256,698	27,228,762	25,903,122	26,439,013	25,608,051	26,326,656
15,881,926	16,767,336	17,867,257	16,909,700	16,450,165	15,887,529
1,228,691	1,157,383	1,147,905	1,206,645	1,218,513	1,306,183
-	-	-	5,939	127,089	152,783
76,050	59,669	30,059	39,672	30,310	21,130
7,129,477	6,915,008	6,585,363	6,415,143	4,563,083	4,586,780
4,189,779	5,249,206	3,095,997	3,016,902	5,457,395	5,421,105
56,442	90,806	58,054	127,451	100,594	206,835
5,055,272	5,246,431	5,427,357	5,470,888	4,947,608	4,980,072
2,284,864	2,117,039	1,987,183	1,973,807	2,009,442	1,904,032
632,012	820,220	649,972	734,904	597,727	615,421
6,690,618	6,878,075	7,121,668	7,154,741	7,049,166	7,215,368
5,510,566	5,460,586	4,486,912	4,579,601	4,389,554	4,700,253
1,823,839	1,923,743	1,619,354	1,778,690	1,634,949	1,477,379
1,007,464	797,570	813,878	1,271,702	890,386	828,156
1,184,021	1,325,338	1,124,764	1,130,805	1,039,052	1,107,903
2,585,522	366,013	77,853	1,299,506	10,660,001	49,365,433
2,023,782	2,026,820	2,938,200	2,369,228	2,425,900	3,162,454
1,982,275	1,229,363	1,432,347	2,389,377	2,015,581	2,511,336
-	-	256,338	-	-	25,342
-	-	181,196	-	-	-
<u>86,599,298</u>	<u>85,659,368</u>	<u>82,804,779</u>	<u>84,313,714</u>	<u>91,214,566</u>	<u>131,802,150</u>
(2,150,946)	3,241,767	1,036,238	2,067,126	(12,513,199)	(34,778,891)

## Euclid City School District

### *Changes in Fund Balances – Governmental Funds (continued)* *Modified Accrual Basis of Accounting* *Last Ten Fiscal Years*

	2021	2020	2019	2018
<b>Other Financing Sources (Uses):</b>				
Premium on the Sale of Bonds and Notes	-	-	-	-
Premium on the Sale of Refunded Bonds	-	-	-	-
Premium on the Sale of Debt	-	1,020,740	-	-
Sale of Bonds	-	-	-	-
Sale of Refunded Bonds	-	-	-	-
Issuance of Debt	-	12,500,000	-	-
Sale of Assets	106,539	28,953	635,778	10,377
Sale of Long-Term Tax Anticipation Notes	-	-	-	-
Inception of Capital Lease	306,710	-	-	-
Payment to Refunding Bond Escrow Agent	-	-	-	-
Discount on the Sale of Bonds	-	-	-	-
Transfers In	441,060	314,315	367,445	342,623
Transfers Out	(451,060)	(314,623)	(367,445)	(340,500)
<i>Total Other Financing Sources (Uses)</i>	403,249	13,549,385	635,778	12,500
Net Change in Fund Balance	\$ (7,397,856)	\$ (25,112,711)	\$ (27,066,979)	\$ (5,122,711)
 <b>Debt Service as a percentage of Noncapital Expenditures</b>	 9.1%	 9.1%	 7.9%	 8.0%

**Notes:**

- (a) In fiscal year 2016, the School District provided further clarity within its tax revenue classification. This change will allow the user of the financial statements to gain a better understanding of the School District's various revenue sources.



2017	2016 (a)	2015	2014	2013	2012
6,113,620	-	-	-	-	-
-	-	939,647	-	-	-
-	-	-	-	-	-
95,789,994	-	-	-	-	-
-	-	21,399,996	-	-	-
-	-	-	-	-	-
36,162	138,545	15,564	10,287	103,235	10,910
-	-	-	-	-	4,185,000
-	352,718	-	-	-	-
-	-	(21,532,802)	-	-	-
(1,276,814)	-	(550,503)	-	-	-
1,220,126	805,331	1,269,364	250,169	1,338,749	421,689
<u>(1,221,240)</u>	<u>(781,521)</u>	<u>(1,104,430)</u>	<u>(307,217)</u>	<u>(1,348,749)</u>	<u>(421,689)</u>
<u>100,661,848</u>	<u>515,073</u>	<u>436,836</u>	<u>(46,761)</u>	<u>93,235</u>	<u>4,195,910</u>
<u>\$ 98,510,902</u>	<u>\$ 3,756,840</u>	<u>\$ 1,473,074</u>	<u>\$ 2,020,365</u>	<u>\$ (12,419,964)</u>	<u>\$ (30,582,981)</u>
4.8%	3.8%	5.3%	5.7%	5.5%	6.9%

## Euclid City School District

### *Assessed and Estimated Actual Value of Taxable Property*

#### *Last Ten Years*

Tax/ Collection Year	Real Property			Estimated Actual Value	Tangible Personal Property	
	Assessed Value				Public Utility	
	Residential/ Agricultural	Commercial/ Industrial	Total		Assessed Value	Estimated Actual Value
2020/2021	\$ 436,884,440	\$ 181,584,630	\$ 618,469,070	\$ 1,767,054,486	\$ 30,293,700	\$ 34,424,659
2019/2020	437,911,120	177,999,030	615,910,150	1,759,743,286	27,795,980	31,586,341
2018/2019	438,293,760	179,547,300	617,841,060	1,765,260,171	25,841,240	29,365,045
2017/2018	379,520,140	152,620,010	532,140,150	1,520,400,429	23,303,290	26,481,011
2016/2017	381,595,260	155,568,740	537,164,000	1,534,754,286	21,846,670	24,825,761
2015/2016	383,494,150	153,257,260	536,751,410	1,533,575,457	20,642,090	23,456,920
2014/2015	396,231,090	164,449,260	560,680,350	1,601,943,857	20,085,560	22,824,500
2013/2014	399,245,760	168,521,720	567,767,480	1,622,192,800	19,072,000	21,672,727
2012/2013	401,745,490	168,140,380	569,885,870	1,628,245,343	17,368,880	19,737,364
2011/2012	546,762,120	175,905,170	722,667,290	2,064,763,686	16,043,950	18,231,761

**Notes:**

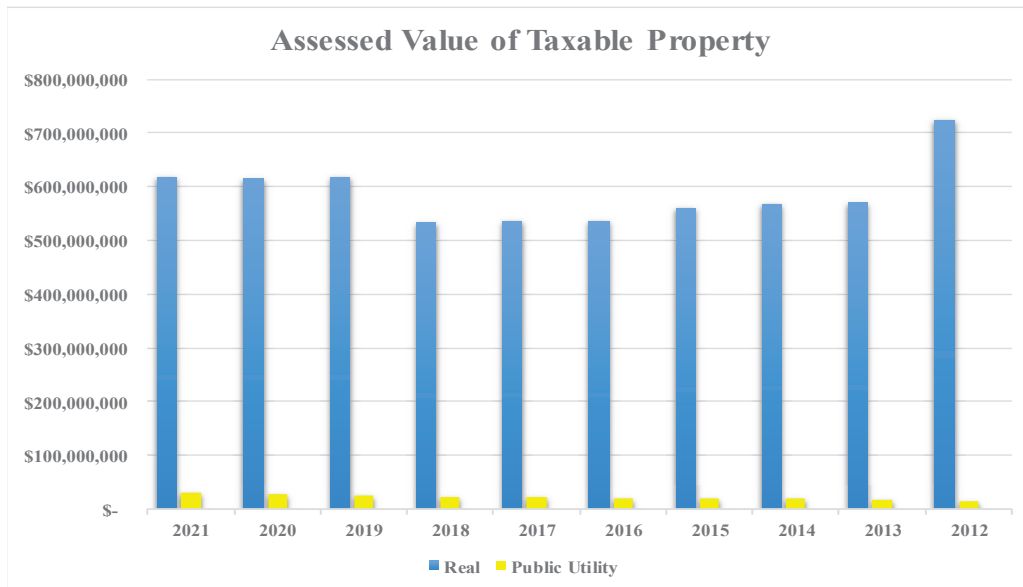
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated actual value. The assessed value of public utility personal property ranges from 25 percent of the actual value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax began phasing out in 2006 and was completely phased out in 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed that year. For the real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

**Source:** Office the Fiscal Officer, Cuyahoga County, Ohio

Tangible Personal Property		Total Taxable Property				Direct Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio		
\$ 30,293,700	\$ 34,424,659	\$ 648,762,770	\$ 1,801,479,145	36.01%	\$105.32	
27,795,980	31,586,341	643,706,130	1,791,329,627	35.93%	97.12	
25,841,240	29,365,045	643,682,300	1,794,625,216	35.87%	98.82	
23,303,290	26,481,011	555,443,440	1,546,881,440	35.91%	109.82	
21,846,670	24,825,761	559,010,670	1,559,580,047	35.84%	110.92	
20,642,090	23,456,920	557,393,500	1,557,032,377	35.80%	102.02	
20,085,560	22,824,500	580,765,910	1,624,768,357	35.74%	101.60	
19,072,000	21,672,727	586,839,480	1,643,865,527	35.70%	100.70	
17,368,880	19,737,364	587,254,750	1,647,982,707	35.63%	98.40	
16,043,950	18,231,761	738,711,240	2,082,995,447	35.46%	88.40	



## Euclid City School District

### Property Tax Effective Rates – Direct and Overlapping Governments (Per \$1,000 of Assessed Valuation) Last Ten Years

	Tax Year/ Collection Year 2020/2021	Tax Year/ Collection Year 2019/2020	Tax Year/ Collection Year 2018/2019	Tax Year/ Collection Year 2017/2018
<b>Euclid City School District</b>				
<b>Unvoted Millage</b>				
Operating	\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.62
<b>Voted Millage by Levy (Effective Rates)</b>				
1976 Current Expense - continuing	9.014423	8.980282	8.968564	10.359008
1979 Current Expense - continuing	2.448781	2.439508	2.436324	2.814047
1985 Current Expense - continuing	5.175328	5.155728	5.149008	5.947296
1988 Current Expense - continuing	4.522860	4.505727	4.499848	5.197494
1992 Current Expense - continuing	6.388972	6.364777	6.356475	7.341967
1995 Bond/Library (\$5,000,000)	0.000000	0.000000	0.000000	0.000000
1999 Current Expense - continuing	6.004366	5.981623	5.973826	6.900000
2004 Permanent Improvement - continuing	2.175495	2.167255	2.164430	2.500000
2005 Current Expense - continuing	5.134168	5.114721	5.108054	5.900000
2008 Emergency (\$5,600,000)	0.000000	0.000000	0.000000	11.000000
2009 Bond (\$40,300,000)	3.900000	4.100000	4.500000	4.500000
2012 Emergency (\$5,400,000)	9.600000	9.600000	10.500000	10.500000
2016 Bond (\$96,300,000)	7.200000	7.500000	7.900000	7.900000
2020 Emergency	8.700000	0.000000	0.000000	0.000000
<b>Total Voted Millage</b>	<u>70.264393</u>	<u>61.909621</u>	<u>63.556529</u>	<u>80.859812</u>
<b>Total Millage - Euclid City School District</b>	74.884393	66.529621	68.176529	85.479812
<b>Overlapping Millage by Taxing Districts (Effective Rates)</b>				
Cuyahoga County	14.006317	12.801150	12.797318	13.914095
Euclid City	6.998155	6.986345	6.982292	7.463257
Cleveland Metro Parks	2.484851	2.479656	2.482653	2.718302
Euclid Library	4.873108	4.854651	4.848323	5.600000
Cuyahoga Community College	4.512099	4.503539	4.102322	4.456854
Cleveland -Cuyahoga Port Authority	0.103225	0.102981	0.102946	0.113078
<b>Total Millage - Overlapping Taxing Districts</b>	<u>32.977755</u>	<u>31.728322</u>	<u>31.315854</u>	<u>34.265586</u>
<b>Grand Total - All Direct and Overlapping Millages</b>	<u>\$ 107.862148</u>	<u>\$ 98.257943</u>	<u>\$ 99.492383</u>	<u>\$ 119.745398</u>

**Notes:**

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

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

Real property tax rates for voted levies are reduced so that inflationary increases in value do not generate additional revenue.

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

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

Tax Year/ Collection Year 2016/2017	Tax Year/ Collection Year 2015/2016	Tax Year/ Collection Year 2014/2015	Tax Year/ Collection Year 2013/2014	Tax Year/ Collection Year 2012/2013	Tax Year/ Collection Year 2011/2012
\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.62
10.301993	10.249081	9.916518	9.831543	9.769864	7.212455
2.798559	2.784188	2.693845	2.670761	2.654008	1.959281
5.914568	5.884200	5.693264	5.644480	5.609072	4.140816
5.168893	5.142356	4.975493	4.932858	4.901911	3.618767
7.301565	7.264080	7.028370	6.968145	6.924435	5.111865
0.000000	0.000000	0.180000	0.680000	0.680000	0.680000
6.900000	6.900000	6.900000	6.900000	6.900000	5.771505
2.500000	2.500000	2.500000	2.500000	2.500000	2.500000
5.900000	5.900000	5.900000	5.900000	5.900000	5.900000
11.500000	10.900000	10.600000	10.100000	9.100000	8.300000
4.600000	4.700000	4.700000	4.200000	3.700000	3.500000
11.000000	10.500000	10.200000	9.800000	9.000000	0.000000
7.900000	0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<u>81.785578</u>	<u>72.723905</u>	<u>71.287490</u>	<u>70.127787</u>	<u>67.639290</u>	<u>48.694689</u>
86.405578	77.343905	75.907490	74.747787	72.259290	53.314689
13.880201	13.869781	14.050000	14.050000	13.220000	13.118223
7.443535	7.425232	7.310196	7.280803	7.259468	6.374841
2.711249	2.711903	2.750000	2.750000	1.850000	1.818768
5.600000	5.600000	5.600000	4.000000	4.000000	4.000000
3.946094	3.942787	4.000000	3.100000	3.100000	3.082039
0.112770	0.112676	0.114311	0.113900	0.113492	0.103340
<u>33.693849</u>	<u>33.662379</u>	<u>33.824507</u>	<u>31.294703</u>	<u>29.542960</u>	<u>28.497211</u>
<u>\$ 120.099427</u>	<u>\$ 111.006284</u>	<u>\$ 109.731997</u>	<u>\$ 106.042490</u>	<u>\$ 101.802250</u>	<u>\$ 81.811900</u>

## Euclid City School District

### *Property Tax Levies and Collections*

#### *Last Ten Years*

Tax/ Collection Year	Current Tax Levy (1)	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2020/2021	\$ 51,813,328	\$ 48,955,695	94.48%	\$ 3,146,100	\$ 52,101,795	100.56%
2019/2020	45,659,001	42,643,885	93.40%	3,192,618	45,836,503	100.39%
2018/2019	46,597,110	43,649,747	93.67%	3,580,308	47,230,055	101.36%
2017/2018	50,069,533	46,442,776	92.76%	3,304,934	49,747,710	99.36%
2016/2017	50,708,614	46,792,876	92.28%	2,644,093	49,436,969	97.49%
2015/2016	46,166,495	42,752,282	92.60%	3,136,660	45,888,942	99.40%
2014/2015	46,557,615	41,196,615	88.49%	2,645,887	43,842,502	94.17%
2013/2014	46,712,332	41,437,729	88.71%	2,875,448	44,313,177	94.86%
2012/2013	44,916,306	40,540,419	90.26%	2,575,333	43,115,752	95.99%
2011/2012	43,239,530	38,655,390	89.40%	2,892,542	41,547,932	96.09%

**Notes:**

(1) - Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Revenues from State Sources: Unrestricted Grants-in-Aid.

(2) - The County does not maintain delinquency information by tax year - see General Note below.

**General Note:**

The County is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. The County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. This presentation will be updated as new information becomes available from the County.

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

## Euclid City School District

### Principal Taxpayers – Real Estate Tax

2020 and 2011

Name of Taxpayer	2020	
	Assessed Value	Percent of Real Estate Assessed Value
Cleveland Electric Illuminating Co.	\$ 19,968,270	3.24 %
Euclid Indian Hills, LLC	13,310,060	2.16
Northpointe Towers, Ltd.	8,650,710	1.40
Harbor Crest, Ltd.	6,663,800	1.08
Euclid Leasing Housing Associates 1, Ltd.	6,492,430	1.05
HBP Euclid I, LLC	5,585,260	0.91
American Transmission System	5,495,430	0.89
Lincoln Electric Company	5,085,510	0.83
AE Owner, LLC	3,614,700	0.59
Normandy Towers East I & East II, LLC	3,141,300	0.52
Totals	\$ 78,007,470	12.67 %
Total Real Estate Tax Assessed Valuation	\$ 615,910,150	

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Estate Assessed Value
Cleveland Electric Illuminating Co.	\$ 13,184,900	1.80 %
Nierdest Indian Hills, LLC	10,500,000	1.44
Northpointe Towers, Ltd.	6,685,000	0.91
Lincoln Electric Company	7,846,690	1.07
Harbor Crest, Ltd.	5,510,970	0.75
Willo Arms Euclid, LLC	5,017,300	0.69
Horizon House, Ltd.	3,638,640	0.50
AE Portfolio, LLC	2,975,000	0.41
Normandy Towers East	2,664,210	0.36
Dowel MCB Euclid, LLC	2,537,500	0.35
Totals	\$ 60,560,210	8.28 %
Total Real Estate Tax Assessed Valuation	\$ 731,293,280	

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

**Euclid City School District**

*Principal Taxpayers – Public Utilities Tax*

2020 and 2011

Name of Taxpayer	2020	
	Assessed Value	Percent of Real Estate Assessed Value
Cleveland Electric Illuminating Co.	\$ 19,191,250	69.04 %
American Transmission System	5,495,430	19.77
East Ohio Gas Company	3,109,300	11.19
Norfolk Southern Combined	689,580	2.48
CSX Transportation, Inc.	58,980	0.21
<b>Totals</b>	<b>\$ 28,544,540</b>	<b>102.69 %</b>
<b>Total Public Utilities Tax Assessed Valuation</b>	<b>\$ 27,795,980</b>	

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Estate Assessed Value
Cleveland Electric Illuminating Co.	\$ 13,184,900	85.19 %
East Ohio Gas Company	1,912,320	12.36
American Transmission System	955,380	6.17
Norfolk Southern	694,380	4.49
Ohio Bell	401,140	2.59
<b>Totals</b>	<b>\$ 17,148,120</b>	<b>110.80 %</b>
<b>Total Public Utilities Tax Assessed Valuation</b>	<b>\$ 15,476,470</b>	

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio



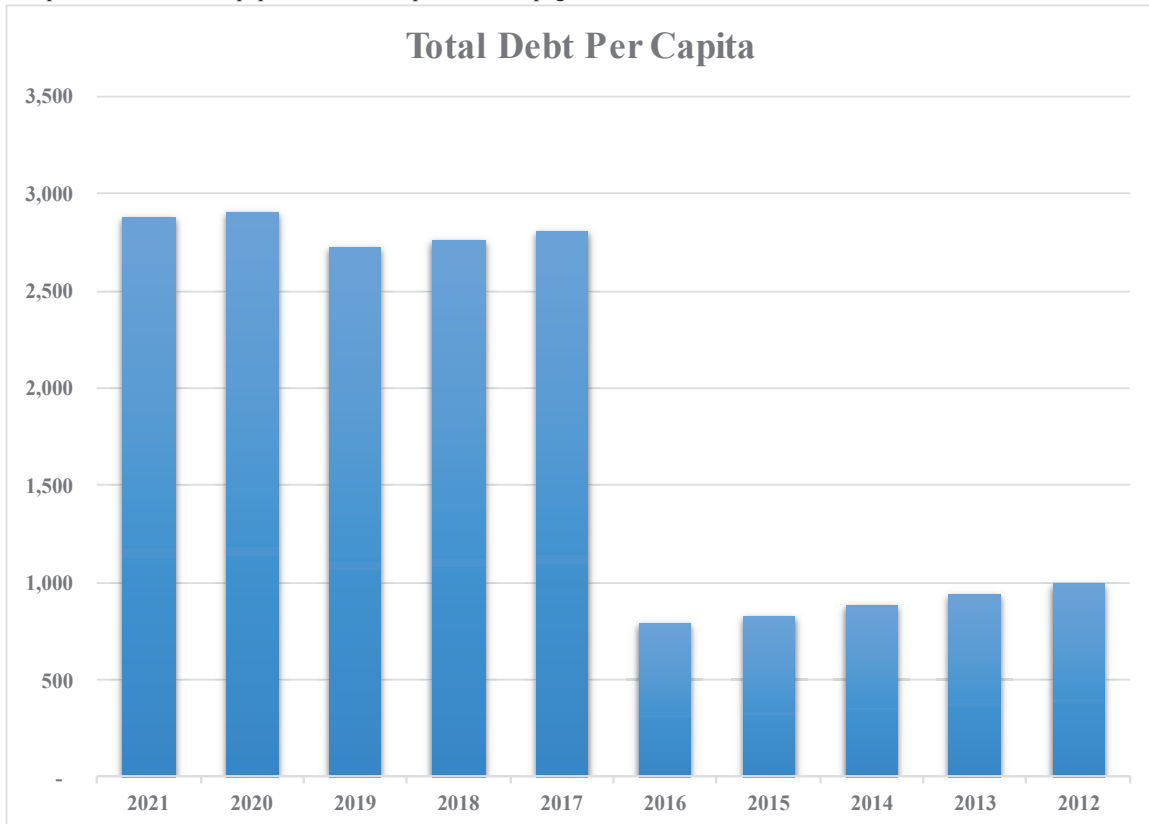
## Euclid City School District

### *Ratio of Outstanding Debt to Total Personal Income and Debt per Capita Last Ten Fiscal Years*

Fiscal Year	Governmental Activities				Total Outstanding Debt	Debt as a Percentage of Personal Income (2)	Debt Per Capita (2)
	General Obligation Bonds (1)	Tax Anticipation Notes	Certificates of Participation (1)	Capital Leases			
2021	\$ 128,207,636	\$ 945,000	\$ 13,470,126	\$ 269,178	\$ 142,891,940	11.81 %	\$ 2,876
2020	129,778,935	1,395,000	13,495,433	6,449	144,675,817	13.87	2,957
2019	131,236,643	1,830,000	-	82,246	133,148,889	12.76	2,722
2018	132,656,289	2,255,000	-	155,200	135,066,489	12.95	2,761
2017	134,540,459	2,665,000	-	225,416	137,430,875	13.17	2,809
2016	35,497,949	3,065,000	-	292,998	38,855,947	3.72	794
2015	37,111,992	3,450,000	-	-	40,561,992	3.89	829
2014	38,564,212	4,600,000	-	-	43,164,212	4.14	882
2013	40,280,699	5,710,000	-	-	45,990,699	4.41	940
2012	42,019,254	6,435,000	-	-	48,454,254	4.64	990

**Notes:**

- (1) The general obligation bonds and certificates of participation are net of related unamortized premiums, discounts and adjustments.
- (2) The personal income and population data are presented on page S28.



## Euclid City School District

### *Ratio of Net General Obligation Bonded Debt to Estimated Actual Value and Net Bonded Debt Per Capita Last Ten Fiscal Years*

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross General Bonded Debt	Accumulated Resources Restricted for Repayment	Net General Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Value of Taxable Property	Net General Bonded Debt Per Capita
2021	49,692 (a)	\$ 1,801,479,145	\$ 129,152,636	\$ (11,484,746)	\$ 117,667,890	6.53 %	\$ 2,368
2020	49,692 (a)	1,791,329,627	131,173,935	(11,252,001)	119,921,934	6.69	2,413
2019	48,920 (b)	1,794,625,216	133,066,643	(11,482,116)	121,584,527	6.77	2,485
2018	48,920 (b)	1,546,881,440	134,911,289	(11,198,425)	123,712,864	8.00	2,529
2017	48,920 (b)	1,559,580,047	137,205,459	(10,816,172)	126,389,287	8.10	2,584
2016	48,920 (b)	1,557,032,377	38,562,949	(4,171,701)	34,391,248	2.21	703
2015	48,920 (b)	1,624,768,357	40,561,992	(3,724,728)	36,837,264	2.27	753
2014	48,920 (b)	1,643,865,527	43,164,212	(4,058,201)	39,106,011	2.38	799
2013	48,920 (b)	1,647,982,707	45,990,699	(4,100,012)	41,890,687	2.54	856
2012	48,920 (b)	2,082,995,447	48,454,254	(4,708,976)	43,745,278	2.10	894

**Sources:**

- (1) U.S. Bureau of Census, Census of Population:
  - (a) 2020 Federal Census
  - (b) 2010 Federal Census
- (2) Office of the County Fiscal Officer, Cuyahoga County, Ohio

**Notes:**

The gross general bonded debt includes all general obligation and tax-backed bonds and their related unamortized premiums, discounts and adjustments. Certificates of Participation and capital leases are not included in this calculation.

## Euclid City School District

### *Computation of Direct and Overlapping Debt Attributable to Governmental Activities June 30, 2021*

	Governmental Activities Outstanding Debt	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<b>Direct Debt:</b>			
Euclid City School District	\$ 142,891,940	100.00 %	\$ 142,891,940
<b>Overlapping Debt:</b>			
City of Euclid (2)	23,466,000	100.00	23,466,000
Cuyahoga County (2)	266,975,000	2.11	5,633,173
Cuyahoga Community College (2)	201,500,000	2.11	4,251,650
Total Overlapping Debt	491,941,000		33,350,823
Total Direct and Overlapping Debt	\$ 634,832,940		\$ 176,242,763

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

**Notes:**

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The
- (2) This governmental entity has a fiscal year end of December 31<sup>st</sup>. Therefore, the outstanding debt presented is as of that date.

## Euclid City School District

### Computation of Legal Debt Margin

#### Last Ten Fiscal Years

	2021	2020	2019	2018
Assessed Valuation	<u>\$ 648,762,770</u>	<u>\$ 643,706,130</u>	<u>\$ 643,682,300</u>	<u>\$ 555,443,440</u>
<b>Debt Limit</b> - 9.0% of Assessed Valuation (1)	<u>\$ 58,388,649</u>	<u>\$ 57,933,552</u>	<u>\$ 57,931,407</u>	<u>\$ 49,989,910</u>
Amount of Debt Applicable to the Debt Limit:				
General Obligation Bonds - Voted (2)	122,679,990	124,224,990	125,604,990	126,909,990
General Obligation Bonds - Unvoted (2)	334,200	434,400	529,500	619,700
Tax Anticipation Notes (2)	945,000	1,395,000	1,830,000	2,255,000
Certificates of Participation (2)	12,500,000	12,500,000	-	-
Less:				
Amount Available in the Bond Retirement Fund	<u>13,209,598</u>	<u>(12,968,254)</u>	<u>(12,721,119)</u>	<u>(11,198,425)</u>
Total	149,668,788	125,586,136	115,243,371	118,586,265
Exempt Debt:				
Tax Anticipation Notes	945,000	1,395,000	1,830,000	2,255,000
Certificates of Participation	12,500,000	12,500,000	-	-
Debt pursuant to Section 133.06(I) - See (3)	<u>77,835,139</u>	<u>53,757,584</u>	<u>55,481,964</u>	<u>66,341,355</u>
Amount of Debt Subject to Limit	<u>58,388,649</u>	<u>57,933,552</u>	<u>57,931,407</u>	<u>49,989,910</u>
<b>Overall Debt Margin</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Legal Debt Margin as a Percentage of the Debt Limit	0.00%	0.00%	0.00%	0.00%
<b>Unvoted Debt Limit</b> - 0.1% of Assessed Valuation (1)	\$ 648,763	\$ 643,706	\$ 643,682	\$ 555,443
Amount of Debt Applicable to the Unvoted Debt Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Unvoted Debt Margin</b>	<u>\$ 648,763</u>	<u>\$ 643,706</u>	<u>\$ 643,682</u>	<u>\$ 555,443</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

**Sources:**

- School District Financial Records
- Office of the Fiscal Officer, Cuyahoga County, Ohio

**Notes:**

- (1) Ohio Bond Law sets a limit of 9.0% for overall debt and 1/10<sup>th</sup> of 1.0% for unvoted debt.
- (2) The debt reflects only the principal balance outstanding. Any unamortized premiums, discounts or other adjustments are not included in this amount.
- (3) Section 133.06(I) of the Ohio Revised Code permits a school district to incur net indebtedness in excess of the 9.0 percent limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Ohio Revised Code. Since the School District entered into a project under Chapter 3318 of the Ohio Revised Code, this exception was included during the calculation of the overall legal debt margin.

2017	2016	2015	2014	2013	2012
<u>\$ 559,010,670</u>	<u>\$ 557,393,500</u>	<u>\$ 580,765,910</u>	<u>\$ 586,839,480</u>	<u>\$ 587,254,750</u>	<u>\$ 738,711,240</u>
<u>\$ 50,310,960</u>	<u>\$ 50,165,415</u>	<u>\$ 52,268,932</u>	<u>\$ 52,815,553</u>	<u>\$ 52,852,928</u>	<u>\$ 66,484,012</u>
128,659,990	34,104,996	35,384,996	36,885,000	37,869,828	39,309,828
705,300	1,026,500	1,328,600	1,616,800	1,891,200	2,152,100
2,665,000	3,065,000	3,450,000	4,600,000	5,710,000	6,435,000
-	-	-	-	-	-
<u>(10,816,172)</u>	<u>(4,167,906)</u>	<u>(3,661,650)</u>	<u>(4,057,427)</u>	<u>(4,556,829)</u>	<u>(4,728,522)</u>
121,214,118	34,028,590	36,501,946	39,044,373	40,914,199	43,168,406
2,665,000	3,065,000	3,450,000	4,600,000	5,710,000	6,435,000
-	-	-	-	-	-
<u>68,238,158</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>50,310,960</u>	<u>30,963,590</u>	<u>33,051,946</u>	<u>34,444,373</u>	<u>35,204,199</u>	<u>36,733,406</u>
<u>\$ -</u>	<u>\$ 19,201,825</u>	<u>\$ 19,216,986</u>	<u>\$ 18,371,180</u>	<u>\$ 17,648,729</u>	<u>\$ 29,750,606</u>
0.00%	38.28%	36.77%	34.78%	33.39%	44.75%
\$ 559,011	\$ 557,394	\$ 580,766	\$ 586,839	\$ 587,255	\$ 738,711
-	-	-	-	-	-
<u>\$ 559,011</u>	<u>\$ 557,394</u>	<u>\$ 580,766</u>	<u>\$ 586,839</u>	<u>\$ 587,255</u>	<u>\$ 738,711</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

# Euclid City School District

## *Demographic and Economic Statistics*

### *Last Ten Calendar Years*

Fiscal Year	Population (1)	Estimated Actual Value of of Taxable Property (2)	Gross General Bonded Debt	Accumulated Resources Restricted for Repayment	Net General Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Value of Taxable Property	Net General Bonded Debt Per Capita
2021	49,692 (a)	\$ 1,801,479,145	\$ 129,152,636	\$ (11,484,746)	\$ 117,667,890	6.53 %	\$ 2,368
2020	48,920 (b)	1,791,329,627	131,173,935	(11,252,001)	119,921,934	6.69	2,451
2019	48,920 (b)	1,794,625,216	133,066,643	(11,482,116)	121,584,527	6.77	2,485
2018	48,920 (b)	1,546,881,440	134,911,289	(11,198,425)	123,712,864	8.00	2,529
2017	48,920 (b)	1,559,580,047	137,205,459	(10,816,172)	126,389,287	8.10	2,584
2016	48,920 (b)	1,557,032,377	38,562,949	(4,171,701)	34,391,248	2.21	703
2015	48,920 (b)	1,624,768,357	40,561,992	(3,724,728)	36,837,264	2.27	753
2014	48,920 (b)	1,643,865,527	43,164,212	(4,058,201)	39,106,011	2.38	799
2013	48,920 (b)	1,647,982,707	45,990,699	(4,100,012)	41,890,687	2.54	856
2012	48,920 (b)	2,082,995,447	48,454,254	(4,708,976)	43,745,278	2.10	894

**Sources:**

- (1) U.S. Bureau of Census, Census of Population:
  - (a) 2020 Federal Census
  - (b) 2010 Federal Census
- (2) Office of the County Fiscal Officer, Cuyahoga County, Ohio

**Notes:**

The gross general bonded debt includes all general obligation and tax-backed bonds and their related unamortized premiums, discounts and adjustments. Certificates of Participation and capital leases are not included in this calculation.

## Euclid City School District

### *Principal Employers*

#### *Current and Nine Years Ago*

Employer	<b>12/31/2019 (1)</b>	
	Number of W-2s Issued	Percentage of Total City Employment
Lincoln Electric Company	3,043	9.81 %
Cleveland Clinic	1,411	4.55
Euclid Board of Education	953	3.07
City of Euclid	502	1.62
Hose Masters	491	1.58
Eaton Industrial Corporation	438	1.41
Babcock & Wilcox Nuclear Operations	400	1.29
Remedi Senior	216	0.70
Turbine Engine	133	0.43
HC Starck Incorporated	104	0.34
Totals	7,691	24.80 %
Total Estimated Employment within the City	31,008	

Employer	<b>December 31, 2012</b>	
	Number of W-2s Issued	Percent of Real Estate Assessed Value
Lincoln Electric Company	2,474	9.94 %
Cleveland Clinic	1,503	6.04
Euclid Board of Education	1,203	4.83
University Hospitals Health System	739	2.97
City of Euclid	608	2.44
Cuyahoga County	506	2.03
Eaton Industrial Corporation	427	1.72
Babcock & Wilcox Nuclear Operations	301	1.21
Hose Masters	604	2.43
HC Starck Inc.	234	0.93
Totals	8,599	34.54 %
Total Estimated Employment within the City	24,894	

**Source:** City of Euclid Income Tax Department

(1) 2020 information not available

# Euclid City School District

## *Per Pupil Cost*

### *Last Ten Fiscal Years*

Fiscal Year	(1) Expenditures	Enrollment (2)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil/ Teacher Ratio	Percentage of Students Receiving Free or Reduced Lunch (3)	%
2021	\$ 112,085,355	4,769	\$ 23,503	-19.83%	342.1	13.9	100.00	%
2020	142,247,437	4,852	29,317	12.96%	336.0	14.4	100.00	
2019	129,822,289	5,002	25,954	29.80%	341.4	14.7	100.00	
2018	103,854,017	5,194	19,995	20.48%	354.0	14.7	100.00	
2017	86,599,298	5,218	16,596	3.48%	367.5	14.2	74.09	
2016	85,659,368	5,341	16,038	4.24%	382.4	14.0	75.87	
2015	82,804,779	5,382	15,386	-3.59%	369.0	14.6	77.89	
2014	84,313,714	5,283	15,959	-5.89%	374.8	14.1	77.42	
2013	91,214,566	5,379	16,958	-28.20%	369.0	14.6	72.93	
2012	131,802,150	5,580	23,620	44.85%	378.4	14.7	74.34	

**Sources:**

- (1) Obtained from the School District's Governmental Fund Financial Statement.
- (2) Based upon EMIS information provided to the Ohio Department of Education
- (3) Information provided to the Ohio Department of Education from the Euclid City School District's Food Service Department. In 2018, the School District became eligible for the Community Eligibility Provision (CEP). This allows the School District to serve breakfast and lunch at no cost to all enrolled students without collection of household applications.

**Notes:**

Phase I of the School District's Classroom Facilities project commenced during fiscal year 2010 and ended in fiscal year 2013. Phase II began in late fiscal year 2017. The significant expenditure fluctuations in those years can mainly be attributed to the construction projects.



## Euclid City School District

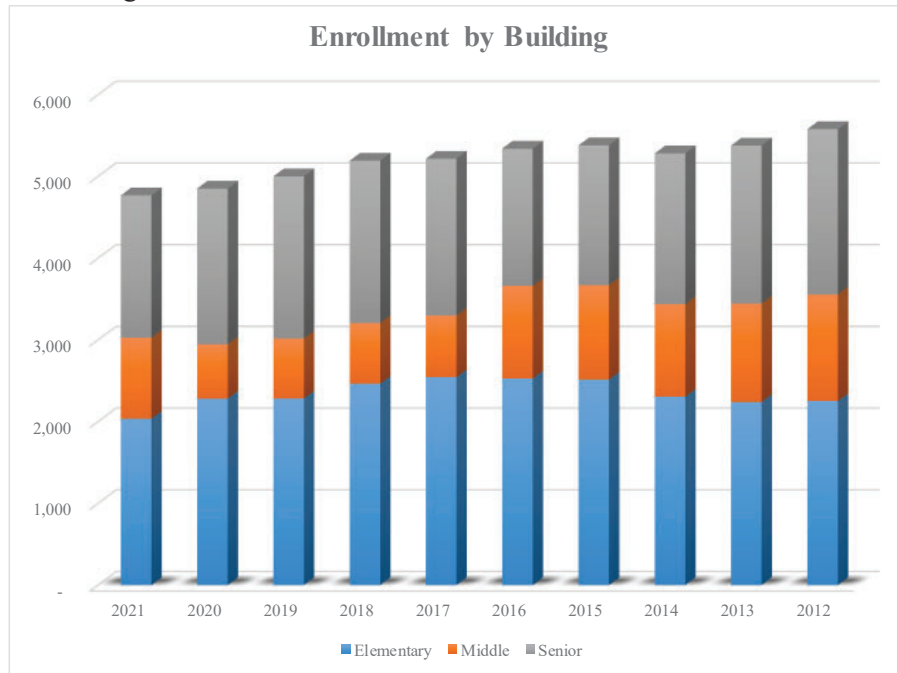
### *Enrollment Statistics*

#### *Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle Schools	Senior High School	Total
2021	2,036	991	1,742	4,769
2020	2,282	662	1,908	4,852
2019	2,284	734	1,984	5,002
2018	2,467	740	1,987	5,194
2017	2,546	753	1,919	5,218
2016	2,529	1,132	1,680	5,341
2015	2,516	1,155	1,711	5,382
2014	2,306	1,132	1,845	5,283
2013	2,241	1,205	1,933	5,379
2012	2,253	1,304	2,023	5,580

**Source:** Based upon EMIS information provided to the Ohio Department of Education

**Notes:** In fiscal year 2017, the Euclid City School District closed Forest Park Middle School and consolidated all of 6th and 7th Grades at Central Middle School and all of 8th Grade at Senior High School.



## Euclid City School District

### *Attendance and Graduation Rates*

#### *Last Ten Fiscal Years*

Fiscal Year	District Attendance Rate (1)	State Average (1)	4-year Rate		5-year Rate	
			District Graduation Rate (2)	State Average (1)	District Graduation Rate (2)	State Average (1)
2021	76.5 %	76.4 %	72.0 %	87.2 %	77.3 %	88.3 %
2020	92.2	N/A	71.8	85.9	76.8	87.5
2019	89.8	93.5	70.2	85.3	74.6	85.9
2018	90.4	93.7	65.4	84.1	81.4	87.3
2017	90.8	93.9	75.2	83.6	72.0	85.6
2016	93.2	94.1	64.9	83.0	71.2	84.9
2015	93.5	94.1	66.9	83.0	77.2	85.6
2014	93.8	94.3	66.9	82.3	71.2	84.9
2013	93.7	94.2	73.6	82.2	77.2	84.5
2012	94.0	94.5	69.5	81.3	75.0	83.8

**Sources:**

- (1) Based upon EMIS information provided to the Ohio Department of Education
- (2) Graduation rates were obtained from the Euclid City School District's Guidance Department coupled with EMIS information provided to the Ohio Department of Education.

N/A - Information is not available

**Notes:**

The State's education community experienced unprecedented changes during the 2019-20 school year due to the coronavirus (COVID-19) pandemic. As a result and in line with legislative action allowing schools to forego certain state reporting, limited data is available for the 2019-20 school year.

The 4 and 5 year graduation rates look at the percent of students who successfully finished high school with a diploma in four or five years.

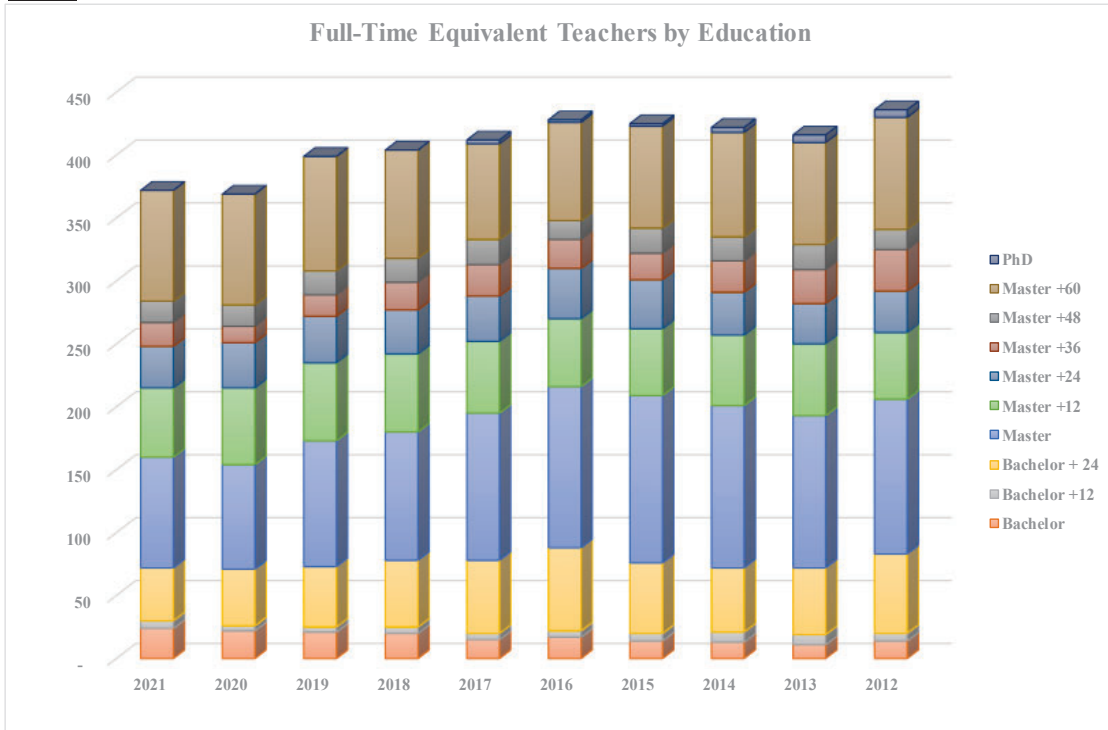
# Euclid City School District

## *Full-Time Equivalent Teachers by Education*

### *Last Ten Fiscal Years*

Fiscal Year	Bachelor's				Master's							PhD	Grand Total
	Degree	Degree +12	Degree +24	Total	Degree	Degree +12	Degree +24	Degree +36	Degree +48	Degree +60	Total		
2021	24	5	42	71	88	55	33	19	17	88	300	0	371
2020	22	6	45	73	83	61	36	13	17	88	298	0	371
2019	21	4	48	73	100	62	37	17	19	91	326	0	399
2018	20	4	53	77	102	62	35	22	19	86	326	0	403
2017	15	5	58	78	117	57	36	25	20	76	331	3	412
2016	17	5	66	88	128	54	40	23	15	78	338	2	428
2015	14	5	56	75	133	53	39	21	20	81	347	2	424
2014	13	6	51	70	129	56	34	25	19	83	346	4	420
2013	11	8	53	72	121	57	32	27	20	81	338	6	416
2012	14	8	63	85	123	53	33	33	16	89	347	6	438
2011	15	6	78	99	123	55	39	28	20	85	350	6	455

**Source:** School District Records



## Euclid City School District

### School District Employees by Function/Program

#### Last Ten Fiscal Years

Function/Program	2021	2020	2019	2018
<u>Instruction:</u>				
<i>Regular</i>				
Elementary Classroom Teachers	86.00	93.00	94.00	94.50
Middle School Classroom Teachers	41.00	33.00	35.00	36.00
High School Classroom Teachers	70.00	82.00	84.00	90.00
District wide Classroom Teachers	-	6.59	12.59	17.50
Specials - Art, Music, Health and Physical Education	25.00	28.00	30.80	31.50
<i>Special</i>				
Elementary Classroom Teachers	47.59	34.00	31.00	34.00
Middle School Classroom Teachers	18.00	13.00	12.00	13.00
High School Classroom Teachers	19.00	25.00	28.00	27.00
Gifted Education Teachers	4.00	4.00	4.00	4.00
<i>Vocational</i>				
High School Classroom Teachers	9.50	8.50	10.00	8.00
<i>Other</i>				
Elementary Tutors	3.60	12.13	9.60	12.00
Middle School Tutors	-	0.80	-	1.00
District wide Tutors	-	1.00	1.80	1.00
<u>Supporting Services:</u>				
<i>Pupils</i>				
Guidance Counselors	10.00	10.00	10.00	10.00
Librarians	-	-	1.00	1.00
Psychologists	7.00	8.00	8.00	8.00
Speech and Language Pathologists	6.00	7.00	7.00	8.00
OT/PT	4.00	4.00	4.00	4.00
Non-Teaching Support Staff Central Office	1.00	8.00	10.58	11.00
<i>Instructional Staff</i>				
Non-Teaching Support Staff Elementary	84.33	90.80	79.07	68.00
Non-Teaching Support Staff Middle	14.27	10.80	15.13	11.00
Non-Teaching Support Staff High	21.93	22.73	20.87	16.00
<i>Administration</i>				
Elementary	10.00	12.00	13.00	13.00
Middle School	3.00	3.00	3.00	3.00
High School	6.00	6.00	6.00	6.00
Central Office	9.00	7.00	6.00	7.00
<i>Fiscal</i>				
Treasurer's Department	7.50	7.50	8.50	8.50

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
91.00	96.00	94.00	92.00	91.50	96.00
34.00	63.00	63.00	62.50	61.00	60.00
92.00	76.00	78.00	82.50	91.00	79.00
19.50	22.50	17.50	21.50	8.50	18.50
33.00	37.00	39.50	35.00	36.00	38.00
34.00	26.00	26.00	26.00	25.00	32.50
11.00	21.00	22.00	21.00	23.00	24.00
29.00	27.00	25.00	21.00	22.00	22.00
5.00	4.00	5.00	4.00	3.00	3.00
9.00	7.00	7.00	6.00	6.00	7.00
9.00	16.00	12.50	13.00	-	-
-	2.50	3.50	1.50	-	-
3.50	1.00	1.00	-	1.00	1.00
10.00	10.00	11.00	11.00	11.00	11.00
1.00	1.00	1.00	1.00	1.00	1.00
8.00	8.00	8.00	9.00	8.00	8.00
8.00	8.00	8.00	7.00	7.00	7.00
4.00	3.00	3.00	3.00	3.00	3.00
11.00	10.50	11.00	12.00	9.00	9.00
68.00	54.00	52.50	40.00	50.00	54.00
11.50	18.00	18.50	14.00	21.00	23.00
24.00	21.00	23.00	19.00	25.00	22.00
12.00	8.00	8.00	8.00	8.00	7.00
3.00	6.00	6.00	6.00	6.00	6.00
8.00	6.00	7.00	5.00	6.00	6.00
7.00	9.00	8.00	9.00	9.00	8.00
8.50	9.00	9.00	9.50	9.50	9.00

## Euclid City School District

### *School District Employees by Function/Program (continued) Last Ten Fiscal Years*

Function/Program	2021	2020	2019	2018
<b><u>Supporting Services:</u></b> (continued)				
<i>Business</i>				
Central Office	3.00	2.00	2.00	2.00
<i>Operation and Maintenance of Plant Services</i>				
Custodial Department	12.00	11.00	11.00	11.00
Maintenance Department	28.00	25.50	32.84	38.00
<i>Pupil Transportation</i>				
Bus Drivers	(a)	(a)	(a)	(a)
Bus Aides	(a)	(a)	(a)	(a)
Mechanics	(a)	(a)	(a)	(a)
Transportation Support Staff	(a)	(a)	(a)	(a)
<i>Central</i>				
Technology	8.00	7.00	8.00	8.00
Personnel	3.00	3.00	4.00	4.00
<b><u>Extracurricular Activities:</u></b>				
Athletic Department	2.00	2.00	2.00	2.00
<b><u>Food Services:</u></b>				
Elementary	13.07	14.00	12.40	12.50
Middle	4.40	3.17	4.17	4.00
High School Cooks	1.87	1.87	3.00	3.00
Central Office	3.00	3.00	2.84	3.00
<b><u>Adult Education/Community School:</u></b>				
Preschool	17.00	16.00	15.00	16.00
Day Care	(b)	(b)	(b)	(b)
<b>Totals</b>	<b>603.06</b>	<b>626.38</b>	<b>642.18</b>	<b>647.50</b>

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee

**Source:** School District's Payroll Records

**Notes:**

- (a) Starting in school year 2013/2014, the School District contracted pupil transportation services with a third party vendor.
- (b) School year 2011/2012 was the last school year in which the School District provided a day care option.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
2.00	2.00	2.00	2.00	2.00	2.00
8.00	10.00	10.00	14.00	14.00	16.00
34.00	38.00	39.00	44.00	45.50	38.00
(a)	(a)	(a)	(a)	14.50	42.50
(a)	(a)	(a)	(a)	7.00	8.50
(a)	(a)	(a)	(a)	1.00	2.00
(a)	(a)	(a)	(a)	2.00	3.00
8.00	10.00	10.00	10.00	9.00	9.00
4.00	4.00	4.00	4.00	4.00	4.00
2.00	2.00	1.50	1.50	1.50	1.50
11.00	12.50	11.50	11.50	11.50	12.00
4.50	8.00	8.50	7.50	9.00	9.00
3.00	3.00	3.00	3.00	3.00	3.00
4.00	4.00	3.00	3.00	3.00	2.00
15.00	15.00	9.00	8.00	4.00	4.00
(b)	(b)	(b)	(b)	(b)	14.00
<u>649.50</u>	<u>679.00</u>	<u>669.50</u>	<u>648.00</u>	<u>672.50</u>	<u>725.50</u>

# Euclid City School District

## *Building Statistics*

### *Last Ten Fiscal Years*

	2021	2020	2019	2018
<b>Memorial Park (5)</b>				
Constructed in 1956				
Total Building Square Footage	46,745	46,745	46,745	46,745
Student Capacity	560	560	560	560
% of Capacity in Use	0%	0%	44%	49%
<b>Lincoln (6)</b>				
Constructed in 1959				
Total Building Square Footage	30,195	30,195	30,195	30,195
Student Capacity	450	450	450	450
% of Capacity in Use	0%	0%	0%	0%
<b>Indian Hills (6)</b>				
Constructed in 1970				
Total Building Square Footage	33,224	33,224	33,224	33,224
Student Capacity	380	380	380	380
% of Capacity in Use	0%	0%	0%	0%
<b>Arbor (2)</b>				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	54%	65%	84%	87%
<b>Bluestone (2)</b>				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	54%	66%	80%	90%
<b>Chardon Hills (2)</b>				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	68%	63%	72%	78%
<b>Shoreview (2)</b>				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	68%	64%	78%	81%
<b>Early Learning Village/Forest Park (3)</b>				
Constructed in 2019 & 1962				
Total Building Square Footage	84,817	84,817	109,306	109,306
Student Capacity	640	640	820	820
% of Capacity in Use	72%	93%	0%	0%



2017	2016	2015	2014	2013	2012
46,745	46,745	46,745	46,745	46,745	46,745
560	560	560	560	560	560
49%	46%	41%	15%	5%	66%
30,195	30,195	30,195	30,195	30,195	30,195
450	450	450	450	450	450
0%	0%	0%	0%	0%	0%
33,224	33,224	33,224	33,224	33,224	33,224
380	380	380	380	380	380
0%	0%	0%	0%	0%	0%
72,500	72,500	72,500	72,500	72,500	0
650	650	650	650	650	0
92%	92%	93%	90%	79%	0%
72,500	72,500	72,500	72,500	72,500	0
650	650	650	650	650	0
91%	94%	94%	90%	77%	0%
72,500	72,500	72,500	72,500	72,500	0
650	650	650	650	650	0
81%	80%	82%	79%	84%	0%
72,500	72,500	72,500	72,500	72,500	0
650	650	650	650	650	0
86%	84%	82%	83%	92%	0%
109,306	109,306	109,306	109,306	109,306	109,306
820	820	820	820	820	820
0%	63%	67%	69%	77%	83%

## Euclid City School District

### *Building Statistics (continued) Last Ten Fiscal Years*

	2021	2020	2019	2018
<b>Central (4) (1)</b>				
Constructed in 1968				
Total Building Square Footage	0	140,792	140,792	140,792
Student Capacity	0	900	900	900
% of Capacity in Use	0%	74%	82%	82%
<b>Euclid High School (4) (1)</b>				
Constructed in 1950				
Total Building Square Footage	0	470,000	470,000	470,000
Student Capacity	0	2,040	2,040	2,040
% of Capacity in Use	0%	94%	97%	97%
<b>Euclid High School/Middle School Complex (1)</b>				
Constructed in 1950/2021				
Total Building Square Footage	325,750	0	0	0
Student Capacity	2,761	0	0	0
% of Capacity in Use	98%	0	0	0

**Source:** School District's Records

**Notes:**

- (1) At the beginning of the 2020/21 school year, the new High School Middle School Complex was opened. This facility includes a partially renovated/partially new High School and new Middle School all in the same building. The former Central Middle School was demolished and its land transferred to the Cleveland Metropark
- (2) These elementary school buildings were completed and functional for the start of the 2012/2013 school year.
- (3) Due to declining enrollment and structural issues, the Euclid City School District closed this building after the 2015/2016 school year. After some abate and demolition work, renovations and new construction, this school building has been repurposed as the new Early Learning Village. Starting in 2019/2020 school year, this building now educates the preschool and kindergarten students.
- (4) Starting in the 2016/2017 school year, students in grades 6 and 7 were placed in Central Middle School and the students in grade 8 were placed in the High School building.
- (5) Beginning in the 2012/2013 school year, this school building went from being a school for students in grades K through 5 to solely students in the preschool grade level. Starting in the 2019/20 school year, this building was vacated by students and the District Administration moved into this location.
- (6) This school building was leased to another legal entity.

2017	2016	2015	2014	2013	2012
140,792	140,792	140,792	140,792	140,792	140,792
900	900	900	900	900	900
84%	68%	67%	63%	64%	69%
470,000	470,000	470,000	470,000	470,000	470,000
2,040	2,040	2,040	2,040	2,040	2,040
94%	82%	84%	90%	95%	99%
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0

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# OHIO AUDITOR OF STATE KEITH FABER



**EUCLID CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 3/15/2022**

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