



HUBER HEIGHTS CITY SCHOOLS

Huber Heights, Ohio

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



OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

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

We have reviewed the *Independent Auditor's Report* of the Huber Heights City School District, Montgomery County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2020 through June 30, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

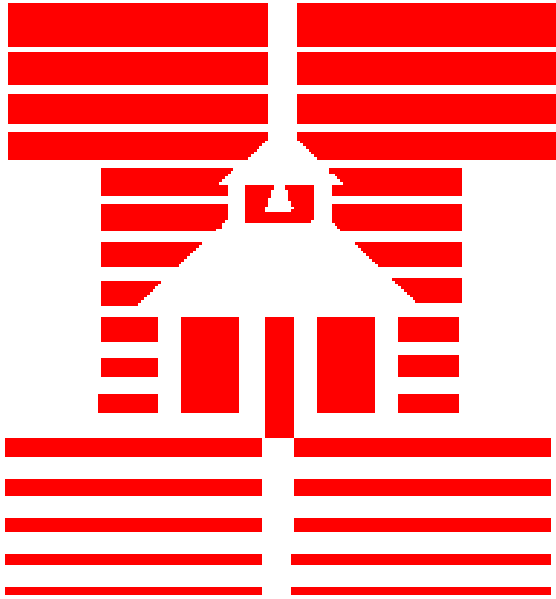
Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Huber Heights City School District is responsible for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

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

Keith Faber
Auditor of State
Columbus, Ohio

March 08, 2022

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HUBER HEIGHTS

CITY SCHOOLS

HUBER HEIGHTS CITY SCHOOL DISTRICT

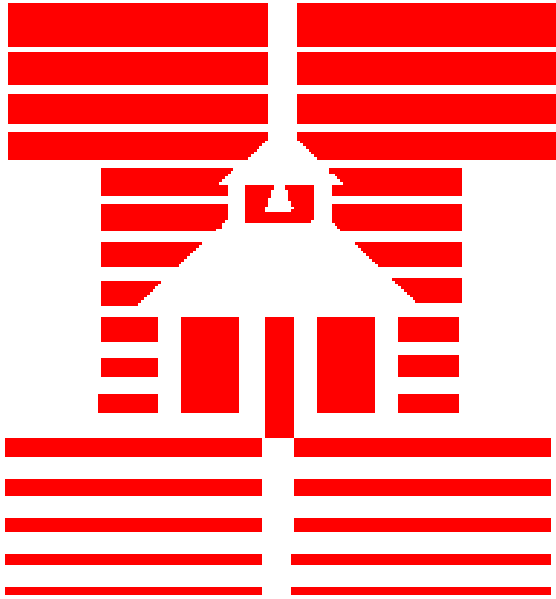
Huber Heights, Ohio

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

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

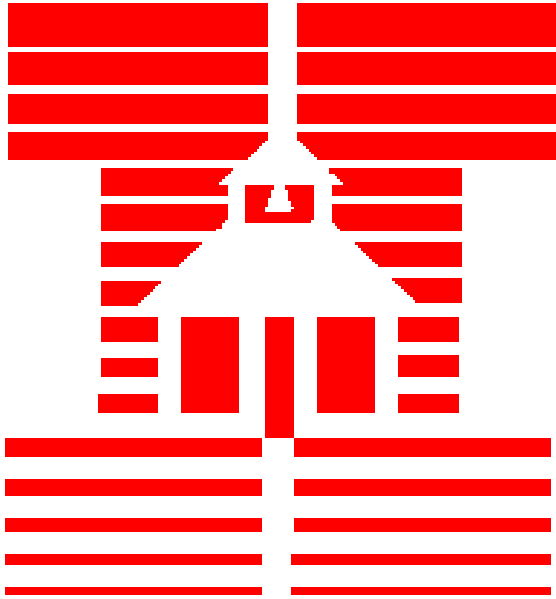
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HUBER HEIGHTS
CITY SCHOOLS

INTRODUCTORY SECTION

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HUBER HEIGHTS

CITY SCHOOLS

Huber Heights City School District, Ohio

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For the Fiscal Year Ended June 30, 2021

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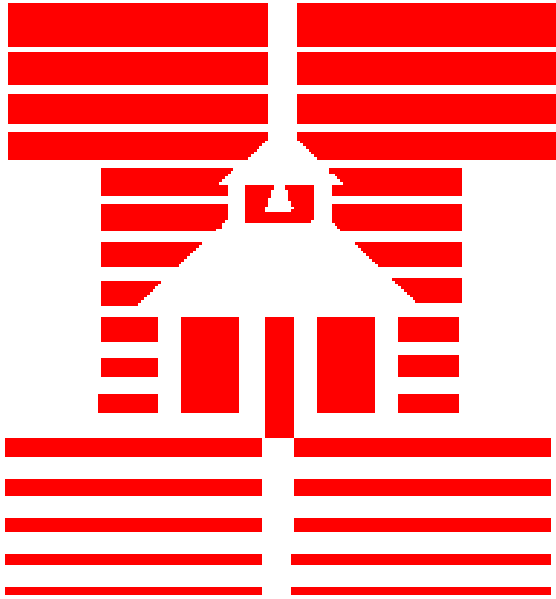
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HUBER HEIGHTS
CITY SCHOOLS



Huber Heights City School District

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

Mario Basora, Superintendent
Sam Braun, Treasurer

December 30, 2021

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

We are pleased to present the 3rd consecutive Annual Comprehensive Financial Report (ACFR) of the Huber Heights City School District, (the “District”). The information reported is for the fiscal year ended June 30, 2021. The report contains financial statements, required supplemental information, supplemental statements and other financial and statistical information to provide complete and full disclosure of all material financial aspects of the District for the current fiscal year.

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

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

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

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

District Profile

The District is located in southwestern Ohio, primarily within Montgomery County; and encompasses approximately 22 square miles. The Huber Heights City School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five-member board and is responsible for the provision of public education to residents of the District.

Within the City of Huber Heights, the District is the largest employer. The community’s population for fiscal year 2021 was 40,006 which encompass the City of Huber Heights and Bethel Township and small portions of the City of Fairborn, the population has increased nearly 5% in the past ten years. The socioeconomic profile of district residents, as measured by income levels and housing values, is below average for the State.

The Huber Heights City School District provided services to 5,590 students during fiscal year 2021. As such, the District provides a full range of educational services including regular, special and vocational instruction for Pre-K through 12th grades, student guidance, extracurricular activities, food service, educational media, student transportation and care and upkeep of buildings.

The District underwent an extensive building project approximately 11 years ago building 7 new buildings including 5 elementary buildings, a junior high and high school. The District’s student enrollment projected to continue at a steady increase over the next several years, therefore adequate school facilities continue to be a significant focal point for the District’s administrative team.

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

<u>School Building</u>	<u>Grade Levels</u>	<u>Year Constructed</u>	<u>Current Enrollment</u>
Wayne High	9-12	2010	1,573
Weisenborn Junior High	7-8	2010	901
Charles Huber Elementary	K-6	2010	600
Monticello Elementary	K-6	2010	539
Rushmore Elementary	K-6	2010	624
Valley Forge Elementary	K-6	2010	544
Wright Brothers Elementary	K-6	2010	609
Studebaker Preschool	PK	1970	172

Local Economy

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

Residential development includes several new developments underway. Developers are expecting another successful year in 2021.

Long-term Financial Planning

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

In November 2021, the District completed and adopted its most recent five-year financial forecast, as required by the Ohio Department of Education. Prepared for the general operating fund only, this cash basis document forecasts cash receipts and cash disbursements for the next five fiscal years, as well as the ending balance available to carry over to the next fiscal year. This document is important to provide information to decision makers as it shows if available resources are adequate to meet anticipated spending levels.

As with any forecast, the further out amounts are forecasted, the less reliable the projections become. This is particularly true about unrestricted State Foundation funding which is subject to change with each State biennium budget. The current fiscal budget for the State of Ohio runs through June 30, 2022. In addition, the State Foundation is based on a very complex and numerous different variables which are difficult, at best, to project into the future.

Based on information available at the date the forecast was prepared, total receipts are anticipated to be within 2% of the receipt total reported for fiscal year 2021 through the end of the five-year forecasted period. State Foundation funding which encompasses nearly 50% of all District revenue is projected to see little growth over the forecast period.

Expenditures for wages and benefits of personnel were approximately 81% of the total general fund expenditures for fiscal year 2021. As such, accurately predicting and managing personnel related expenditures are particularly important to provide a reliable forecast. Over the five-year period covered by the forecast, the District anticipates the personnel services expenditures to increase nearly 13% and employee related benefits to increase by approximately 29%. Overall, total disbursements and other financing uses of the general fund are anticipated to increase approximately 13% through the end of fiscal year 2026 compared with the actual amounts reported for fiscal year 2021.

Relevant Financial Policies

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

Internal Controls

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

Budgetary Controls

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

Major Initiatives

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

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

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

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Huber Heights City School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

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

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

The District also received the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2020. This award certifies that an Annual Comprehensive Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the ASBO. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

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

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

Respectfully submitted,

Sam Braun

Sam Braun
Treasurer/CFO

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HUBER HEIGHTS

CITY SCHOOLS

Huber Heights City School District, Ohio

*List of Principal Officials
For the Fiscal Year Ended June 30, 2021*

Elected Board of Education

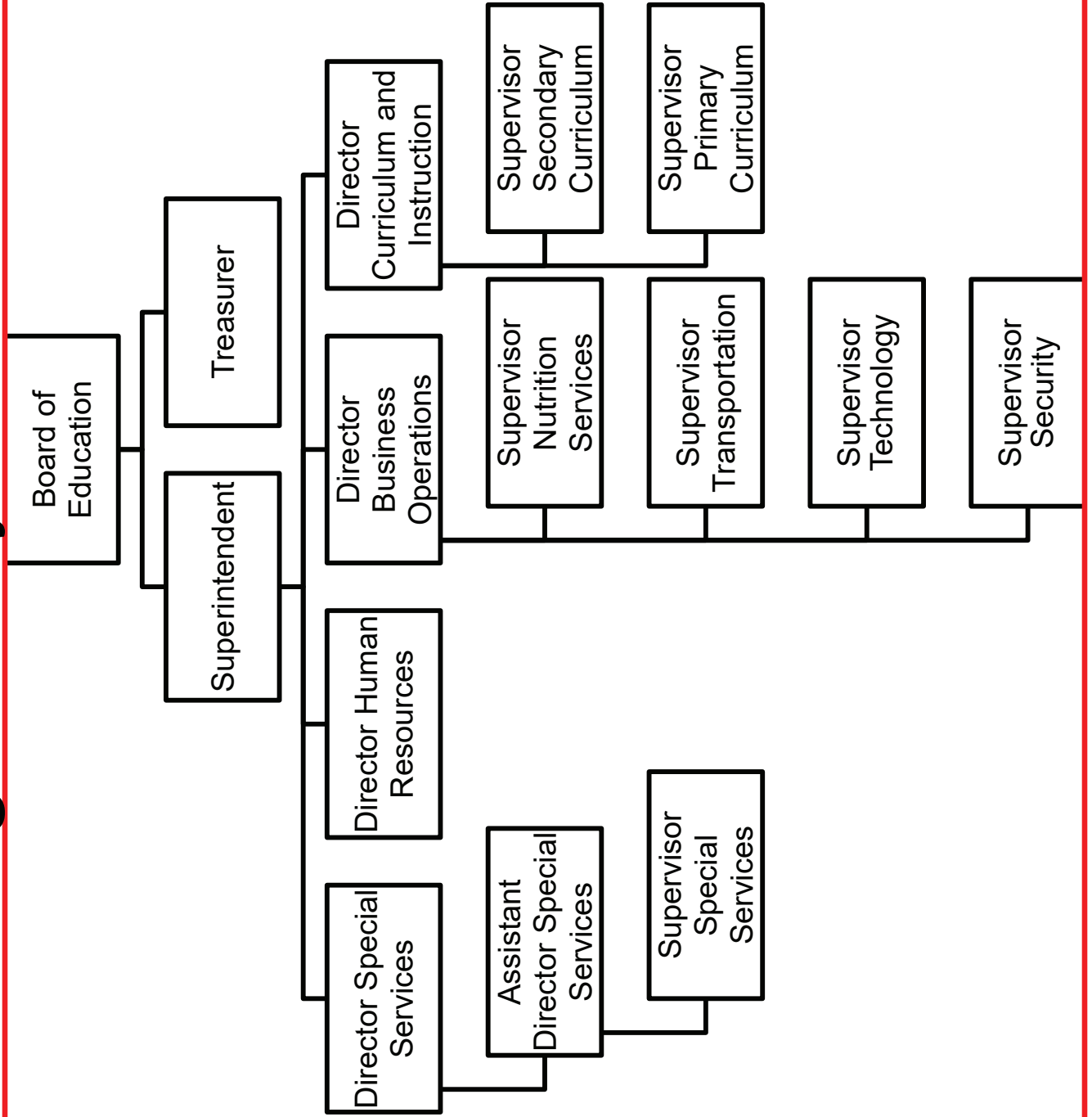
Kelly Bledsoe, Member
Mark Combs, President
William Harris, Member
Robert Mullins, Vice-President
Shannon Weldon, Member

Appointed Administration

Mario Basora
Superintendent

Sam Braun
Treasurer, CFO

Huber Heights City School District





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Huber Heights City School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Huber Heights City School District

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

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



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

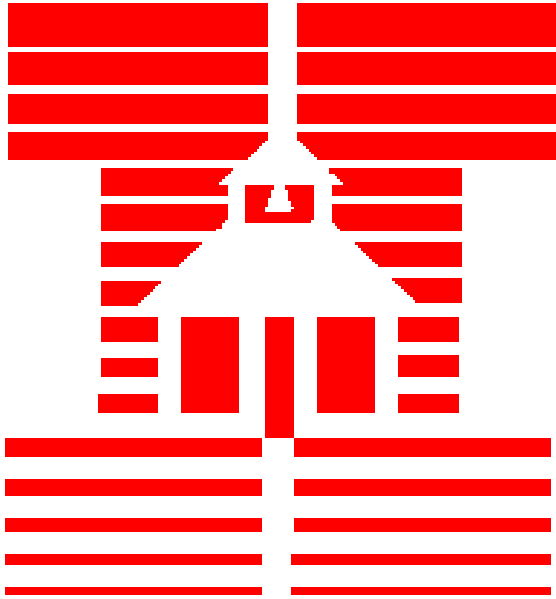
W. Edward Chabal
President

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

David J. Lewis
Executive Director

FINANCIAL SECTION

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HUBER HEIGHTS

CITY SCHOOLS

JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Board of Education
Huber Heights City School District
Huber Heights, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Huber Heights City School District, Montgomery 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Emphasis of Matter

As discussed in Note 18 to the basic financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. As discussed in Note 19 to the basic financial statements, the school foundation aid received from the State of Ohio will be funded through the direct funding model. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

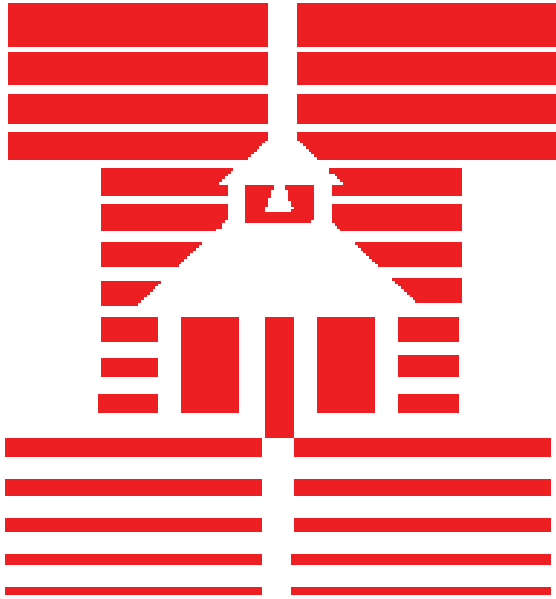
In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



James G. Zupka, CPA, Inc.
Certified Public Accountants

December 30, 2021

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HUBER HEIGHTS
CITY SCHOOLS

Huber Heights City School District, Ohio

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021

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

Financial Highlights

- At June 30, 2021, the District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$79.7 million.
- The District's net position decreased by \$2.2 million compared with the \$876,455 increase reported in the prior year. The District accrued additional receivables in the prior year associated with assistance programs to help offset the economic conditions caused by the global pandemic.
- At the end of the current fiscal year, the unassigned fund balance for the general fund, the District's operating fund, was \$52.1 million or 74.7% of the general fund expenditures.
- The District's total general obligation debt, including unamortized premiums, decreased by \$2.6 million or 3.9%.

Using this Comprehensive Annual Financial Report

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

Reporting the District as a Whole

The Statement of Net Position and Statement of Activities

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

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

Huber Heights City School District, Ohio

*Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2021*

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Fiduciary Funds

The District is the trustee, or fiduciary, for its scholarship programs as well as for various student managed activities. All of the District's fiduciary activities are reported as either private purpose trust fund or custodial fund types. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its' operations.

Notes to the Basic Financial Statements

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

Required Supplementary Information

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

Huber Heights City School District, Ohio

*Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2021*

The District as a Whole

The statement of net position provides the perspective of the District as a whole. A comparative analysis of fiscal year 2021 to 2020 follows:

**TABLE 1
NET POSITION JUNE 30**

	2021	2020
Assets:		
Current and Other Assets	\$ 113,550,513	108,952,159
Capital Assets	<u>148,513,114</u>	<u>149,583,939</u>
Total Assets	<u>262,063,627</u>	<u>258,536,098</u>
Deferred Outflows of Resources:		
Deferred Charge on Refundings	7,427,336	7,988,078
Pension and OPEB	<u>19,181,121</u>	<u>18,647,842</u>
Total Deferred Outflows of Resources	<u>26,608,457</u>	<u>26,635,920</u>
Liabilities:		
Current Liabilities	8,449,985	7,921,229
Noncurrent Liabilities:		
Due Within One Year	2,988,231	2,686,427
Due in More than One Year:		
Net Pension Liability	82,149,882	73,574,727
Net OPEB Liability	5,573,666	6,516,281
Other Obligations	<u>69,176,040</u>	<u>72,057,474</u>
Total Liabilities	<u>168,337,804</u>	<u>162,756,138</u>
Deferred Inflows of Resources:		
Property Taxes and Payments in Lieu	31,706,576	30,194,349
Pension and OPEB	<u>8,920,819</u>	<u>10,357,693</u>
Total Deferred Inflows of Resources	<u>40,627,395</u>	<u>40,552,042</u>
Net Position (Deficit):		
Net Investment in Capital Assets	87,059,684	85,874,011
Restricted	11,113,385	11,492,514
Unrestricted	<u>(18,466,184)</u>	<u>(15,502,687)</u>
Total Net Position	<u>\$ 79,706,885</u>	<u>81,863,838</u>

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

Huber Heights City School District, Ohio

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are

Huber Heights City School District, Ohio

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021

outside the control of the local government. In the event the contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

As noted earlier, increases or decreases in net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$79.7 million at the close of the most recent fiscal year compared with the \$81.9 million amount reported at the end of the prior year.

During fiscal year 2021, the total assets of the District increased by 1.4%, or \$3.5 million. Capital assets decreased by \$1.1 million (0.7%) as current year depreciation expense recognized was more than the capital asset additions recorded for the year. At year end, capital assets represented 56.7% of total assets. Current and other asset accounts increased by \$4.6 million during the year or 4.2%, due to increases primarily in cash and cash equivalents, due to increased revenues cash collections associated with assistance programs, as well as an increase in the District's proportionate share of the net OPEB asset reported by one retirement system.

Total liabilities reported at June 30, 2021 increased by \$5.6 million (3.4%) from the amounts at the beginning of the year. The net pension and OPEB liabilities reported for the current year were \$7.6 million more than the amount reported for those liabilities a year ago based on annual information provided by the retirement systems. Combined, these two liabilities represent 52.1% of the total liabilities reported by the District. The District's proportionate share of the net pension liability and net OPEB liabilities will fluctuate significantly from year to year primarily based on the return on investments realized by the pension/OPEB plans during the measurement year, as well as any change in the actuarial assumptions adopted by the plans. Remaining components of total liabilities decreased by \$2.1 million during the year due to the scheduled debt service payments on long-term debt obligations, which was partially offset by an increase in accounts payable reported at the end of the current year.

The changes reported for total deferred inflows and outflows of resources directly relate to the District recording the components of the net pension and OPEB liabilities due to change in proportionate share of the net pension liability and net OPEB asset/liability for fiscal year 2021 compared to the prior year as well as projected earnings and experience costs varying from actual activity reported by the pension/OPEB plans.

Net position at June 30, 2021 was \$2.2 million less than the amount at the beginning of the year. Net investment in capital assets increased as the reduction in capital related debt obligations were more than the current year change in capital assets, net of accumulated depreciation.

Huber Heights City School District, Ohio

*Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2021*

Restricted net position reported for the current fiscal year was consistent with that reported in the prior year. The unrestricted net position (deficit) decreased during the current year by just under \$3.0 million (19.1%) due to the large increase in the net pension liability recorded for the year. However, if the components of recording the net pension liabilities and the net OPEB asset and liability are removed from the Statement of Net Position, the District's ending unrestricted net position would be a positive \$54.3 million instead of the reported \$18.5 million deficit. We feel this is important to mention as the management of the District has no control over the management of the State-wide pension/OPEB plans or the benefits offered; both of which control the net pension and OPEB components which significantly effects the District's financial statements.

A comparative analysis of change in net position for fiscal year 2021 and 2020 follows:

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

	2021	2020
Revenues:		
Program Revenues:		
Charges for Services	\$ 1,459,281	2,945,827
Operating Grants and Contributions	9,974,992	8,284,924
General Revenues:		
Property Taxes	32,838,761	31,444,272
Grants and Entitlements	41,485,167	40,783,534
Investment Earnings	126,356	1,736,974
Miscellaneous	2,581,414	1,540,567
Total Revenues	88,465,971	86,736,098
Expenses:		
Instruction	59,361,656	53,452,917
Support Services:		
Pupils and Instructional Staff	7,694,289	7,751,597
Board of Education, Administration		
Fiscal and Business	7,394,759	7,048,968
Operation and Maintenance of Plant	5,146,606	5,537,442
Pupil Transportation	2,786,060	3,427,680
Central	1,612,401	1,582,468
Operation of Non-Instructional Services	2,754,538	3,048,704
Extracurricular Activities	1,166,438	1,178,762
Interest and Issuance Costs	2,706,177	2,831,105
Total Expenses	90,622,924	85,859,643
Change in Net Position	(2,156,953)	876,455
Net Position, Beginning of Year	81,863,838	80,987,383
Net Position, End of Year	\$ 79,706,885	81,863,838

Huber Heights City School District, Ohio

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021

Governmental Activities

Net position of the District's governmental activities decreased during fiscal year 2021 by \$2.2 million; unrestricted net position (deficit) decreased by nearly \$3.0 million during that same period. Total governmental expenses of \$90.6 million exceeded program revenues of \$11.4 million, leaving the remaining \$79.2 million to be covered by general revenues. Program revenues supported 12.6% of the total governmental expenses. The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements which are reported as general revenues. These two revenue sources represent 84.0% of total governmental revenue.

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

Operating grants and contributions revenues increased by \$1.7 million for fiscal year 2021 compared with the prior year as the District received additional financial assistance to assist with the economic challenges caused by the global pandemic. The pandemic continued to cause disruptions to the school schedule and activities during the current year, the effect of which can be seen by the decrease in charges for services which are mostly student and activity related fees. Property taxes increased by 4.4% over those reported for the prior year due to significant increase (17.0%) in the property values for the current tax year.

The expenses reported for fiscal year 2021 are \$4.8 million more than those reported for the prior year as a result of increased services provided to students during the pandemic, increased personnel costs (wages and benefits), as well as recognizing the District's proportionate share of the State-wide pension and OPEB plans. The 5.5% increase in expenses reported for the current year is in line with the increase reported in the prior year when the effects of the net pension and OPEB activity are removed from the expense accounts.

The largest expense of the District is for instructional programs. Instructional expenses total \$59.4 million or 65.5% of the total governmental expenses reported for fiscal year 2021 compared with 62.3% reported for the prior year. Outside of the calculation of pension and OPEB expense components, general pay increases averaged 2.5% and the cost of health benefits increased nearly 15.0% over those of the prior year, as well as the additional expenses incurred to assist students during the pandemic, including remote learning expenses.

Huber Heights City School District, Ohio

*Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2021*

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. General revenues including tax revenue, investment earnings and unrestricted State entitlements must support the net cost of program services. Comparisons to 2020 are as follows:

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

	2021		2020	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 59,361,656	(52,360,141)	53,452,917	(46,974,437)
Support Services	24,634,115	(22,818,107)	25,348,155	(23,443,283)
Operation of Non-Instructional Services	2,754,538	(604,331)	3,048,704	(652,009)
Extracurricular Activities	1,166,438	(699,895)	1,178,762	(728,058)
Interest and Issuance Costs	<u>2,706,177</u>	<u>(2,706,177)</u>	<u>2,831,105</u>	<u>(2,831,105)</u>
Total Expenses	\$ <u>90,622,924</u>	<u>(79,188,651)</u>	<u>85,859,643</u>	<u>(74,628,892)</u>

It is apparent from the information presented in Table 3 above, that funding the operation of the District remains heavily reliant on general revenues. During fiscal year 2021, general revenues accounted for 87.1% of total revenues for governmental activities. The reliance on general revenues to support governmental activities is indicated by the net services column reflecting the need for approximately \$79.2 million of support to finance the functions, or 87.4% of the total expenses for the governmental activities. Non-instructional services, primarily food service operations, was the only significant functional area reported a significant percentage of expenses covered by program revenue due to increased assistance provided associated with school breakfast and lunch programs.

The District's Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$89.0 million and expenditures of \$86.3 million. Overall fund balance of governmental funds increased \$2.7 million over those at June 30, 2020.

The general fund is the only major fund and the primary operating fund of the District. The general fund balance increased by \$2.5 million during the year compared with a \$4.4 million increase reported in the prior year. General fund revenues decreased slightly over those reported for fiscal year 2020 as the increase in property taxes was offset by the significant decrease in investment earnings. Expenditures of the fund increased by \$1.7 million (2.4%) over those reported in the prior year due to increased cost associated with personnel (wages and benefits) mentioned above. The ending unassigned fund balance of the general fund at June 30, 2021 (\$52.1 million) represents 74.7% of the total expenditures reported by the general fund for the year then ended.

Huber Heights City School District, Ohio

Management's Discussion & Analysis For the Fiscal Year Ended June 30, 2021

General Fund Budget Information

During fiscal year 2021, the District modified the general fund's budget on a few occasions. Revenues, excluding other financing sources, were originally budgeted at \$66.0 million which was increased to \$70.8 million over the course of the year. Expenditures, excluding other financing uses, were initially budgeted at \$74.7 million but were decreased to \$73.3 million to reflect actual spending patterns as the year progressed. Actual budgetary revenues were \$28,746 less than the budgeted revenues while actual budgetary expenditures ended \$2.1 million less than the final budgeted expenditures.

The ending actual budgetary fund balance of the general fund ended fiscal year 2021 at \$59.3 million, or \$9.9 million more than the original budgeted balance of \$49.3 million. The higher actual budgetary fund balance resulted from additional property taxes, State funding, and workers' compensation rebate (miscellaneous revenue) received during the fiscal year. The ending general fund balance on a budget basis represents 83.2% of the budgetary expenditures reported for the year, excluding other financing uses.

Capital Assets

At the end of the fiscal year 2021, the District had \$148.5 million invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, and vehicles.

During the year, the District reported capital asset additions of \$1.1 million, almost half of which is associated with the installation of new Playturf and track resurfacing ongoing at the stadium at year end. Depreciation expense on all capital assets was \$1.9 million for the fiscal year.

Additional information regarding capital assets can be found in Note 8 of this report.

Table 4 shows the fiscal year 2021 balances compared to fiscal year 2020.

TABLE 4
CAPITAL ASSETS, JUNE 30

	<u>2021</u>	<u>2020</u>
Land	\$ 915,794	915,794
Construction in Progress	495,450	-
Land Improvements	932,812	1,105,520
Buildings and Improvements	144,250,770	145,685,623
Machinery and Equipment	479,087	587,346
Vehicles	<u>1,439,201</u>	<u>1,289,656</u>
Total Net Capital Assets	\$ <u>148,513,114</u>	<u>149,583,939</u>

Huber Heights City School District, Ohio

*Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2021*

Debt Administration

At June 30, 2021, the District had \$68.0 million in outstanding general obligation bonds, including \$5.9 million of unamortized bond premiums. During the fiscal year, the District paid \$2.1 million in principal on bonds and another \$2.4 million of principal is due to mature within one year.

The District's other debt obligation, capital leases, totaled \$835,582 at June 30, 2021 compared with the \$1.0 million obligation at the beginning of the fiscal year. During the prior fiscal year, the District entered into a lease-purchase agreement to provide financing for a debt refunding to achieve overall debt savings over the next six years.

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

Contacting the District

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

Huber Heights City School District, Ohio

*Statement of Net Position
June 30, 2021*

	Governmental Activities
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 73,506,353
Inventory Held for Resale	17,335
Materials and Supplies Inventory	84,629
Accounts Receivable	186,587
Intergovernmental Receivable	1,737,682
Property Taxes Receivable	32,612,464
Payments in Lieu of Taxes Receivable	675,000
Net OPEB Asset	4,730,463
Nondepreciable Capital Assets	1,411,244
Depreciable Capital Assets, net	147,101,870
<i>Total Assets</i>	<i>262,063,627</i>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred Charge on Refunding	7,427,336
Pension	16,731,707
OPEB	2,449,414
<i>Total Deferred Outflows of Resources</i>	<i>26,608,457</i>
LIABILITIES:	
Accounts Payable	877,163
Accrued Wages and Benefits	5,963,623
Intergovernmental Payable	1,250,650
Accrued Interest Payable	205,783
Matured Compensated Absences Payable	152,766
Long-Term Liabilities:	
Due Within One Year	2,988,231
Due in More Than One Year:	
Net Pension Liability	82,149,882
Net OPEB Liability	5,573,666
Other Amounts	69,176,040
<i>Total Liabilities</i>	<i>168,337,804</i>
DEFERRED INFLOWS OF RESOURCES:	
Property Taxes not Levied to Finance Current Year Operations	31,031,576
Payments in Lieu of Taxes not Levied to Finance Current Year	675,000
Pension	435,686
OPEB	8,485,133
<i>Total Deferred Inflows of Resources</i>	<i>40,627,395</i>
NET POSITION:	
Net Investment in Capital Assets	87,059,684
Restricted for Debt Service	2,640,867
Restricted for Capital Outlay	2,468,045
Restricted for Classroom Maintenance	4,300,095
Restricted for Food Service	1,046,694
Restricted for Federal and State Educational Grants	487,037
Restricted for Other Purposes	170,647
Unrestricted	(18,466,184)
<i>Total Net Position</i>	<i>\$ 79,706,885</i>

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

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HUBER HEIGHTS

CITY SCHOOLS

Huber Heights City School District, Ohio

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

	Program Revenues			Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 37,880,712	\$ 487,436	\$ 2,035,533	\$ (35,357,743)
Special	17,063,135	451,766	4,026,780	(12,584,589)
Vocational	9,057	-	-	(9,057)
Other	4,408,752	-	-	(4,408,752)
Support Services:				
Pupils	5,735,630	-	469,434	(5,266,196)
Instructional Staff	1,958,659	-	368,905	(1,589,754)
Board of Education	16,915	-	-	(16,915)
Administration	5,779,977	-	101,715	(5,678,262)
Fiscal	1,182,260	-	-	(1,182,260)
Business	415,607	-	-	(415,607)
Operation and Maintenance of Plant	5,146,606	-	422,597	(4,724,009)
Pupil Transportation	2,786,060	7,316	280,977	(2,497,767)
Central	1,612,401	-	165,064	(1,447,337)
Operation of Non-Instructional Services	2,754,538	57,486	2,092,721	(604,331)
Extracurricular Activities	1,166,438	455,277	11,266	(699,895)
Interest and Fiscal Charges	2,706,177	-	-	(2,706,177)
Total Governmental Activities	\$ 90,622,924	\$ 1,459,281	\$ 9,974,992	(79,188,651)
General Revenues:				
Grants and Entitlements not Restricted to Specific Programs				41,485,167
Investment Earnings				126,356
Miscellaneous				2,581,414
Property Taxes Levied for:				
General Purposes				27,637,468
Debt Service				4,294,427
Capital Projects				590,401
Facilities Maintenance				316,465
Total General Revenues				77,031,698
Change in Net Position				(2,156,953)
Net Position - Beginning of Year				81,863,838
Net Position - End of Year				\$ 79,706,885

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

Huber Heights City School District, Ohio

*Balance Sheet
Governmental Funds
June 30, 2021*

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 61,801,497	\$ 11,678,932	\$ 73,480,429
Restricted: Cash and Cash Equivalents	-	25,924	25,924
Inventory Held for Resale	-	17,335	17,335
Materials and Supplies Inventory	76,039	8,590	84,629
Accounts Receivable	176,428	10,159	186,587
Interfund Receivable	1,254,400	-	1,254,400
Intergovernmental Receivable	389,444	1,348,238	1,737,682
Property Taxes Receivable	27,398,077	5,214,387	32,612,464
Payments in Lieu of Taxes Receivable	675,000	-	675,000
<i>Total Assets</i>	<u>\$ 91,770,885</u>	<u>\$ 18,303,565</u>	<u>\$ 110,074,450</u>
LIABILITIES:			
Accounts Payable	\$ 601,967	\$ 275,196	\$ 877,163
Accrued Wages and Benefits	5,521,593	442,030	5,963,623
Interfund Payable	-	1,254,400	1,254,400
Intergovernmental Payable	1,123,008	127,642	1,250,650
Matured Compensated Absences Payable	125,241	27,525	152,766
<i>Total Liabilities</i>	<u>7,371,809</u>	<u>2,126,793</u>	<u>9,498,602</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes not Levied to Finance Current Year Operations	26,071,698	4,959,878	31,031,576
Payments in Lieu of Taxes not Levied to Finance Current Year Operations	675,000	-	675,000
Unavailable Revenue	1,585,413	642,949	2,228,362
<i>Total Deferred Inflows of Resources</i>	<u>28,332,111</u>	<u>5,602,827</u>	<u>33,934,938</u>
FUND BALANCES:			
Nonspendable:			
Materials and Supplies Inventory	76,039	8,590	84,629
Restricted:			
Capital Outlay	-	2,445,720	2,445,720
Debt Service	-	2,685,113	2,685,113
Food Service	-	1,174,198	1,174,198
Facilities Maintenance	-	4,288,932	4,288,932
State and Federal Grant Programs	-	267,669	267,669
Other Purposes	-	160,488	160,488
Committed:			
Pollution Remediation	11,000	-	11,000
Assigned:			
School Supported Activities	178,347	-	178,347
School Supplies	34,745	-	34,745
Future Purchase Commitments	1,438,722	-	1,438,722
Subsequent Year Appropriations	2,262,174	-	2,262,174
Unassigned (Deficit)	52,065,938	(456,765)	51,609,173
<i>Total Fund Balances</i>	<u>56,066,965</u>	<u>10,573,945</u>	<u>66,640,910</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 91,770,885</u>	<u>\$ 18,303,565</u>	<u>\$ 110,074,450</u>

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

Huber Heights City School District, Ohio

*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2021*

Total Governmental Fund Balances	\$	66,640,910
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		148,513,114
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.		
Taxes		1,214,566
Tuition and Fees		576,031
Intergovernmental Receivable		437,765
Certain items will not be recognized as expenditures for the current period and therefore are reported as deferred outflows of resources in the funds.		
Deferred Charge on Refunding		7,427,336
The net OPEB asset is not a current asset and the net pension and OPEB liabilities are not due and payable in the current period; therefore those assets and liabilities and related deferred outflows/inflows are not reported in governmental funds.		
Net OPEB Asset		4,730,463
Deferred Outflows - Pension and OPEB		19,181,121
Deferred Inflows - Pension and OPEB		(8,920,819)
Net Pension and OPEB Liabilities		(87,723,548)
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		(62,130,000)
Capital Leases		(835,582)
Compensated Absences		(3,283,505)
Unamortized Bond Premium		(5,915,184)
Accrued Interest on Long-Term Debt		(205,783)
		(78,369,999)
Net Position of Governmental Activities	\$	79,706,885

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

Huber Heights City School District, Ohio

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

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Property and Other Local Taxes	\$ 27,003,632	\$ 5,078,129	\$ 32,081,761
Payments in Lieu of Taxes	675,357	-	675,357
Intergovernmental	41,013,171	11,193,173	52,206,344
Interest	125,810	546	126,356
Tuition and Fees	1,232,171	-	1,232,171
Rent	75,777	-	75,777
Extracurricular Activities	218,760	285,540	504,300
Gifts and Donations	600	115,192	115,792
Customer Sales and Services	-	57,486	57,486
Miscellaneous	1,877,194	6,440	1,883,634
<i>Total Revenues</i>	<u>72,222,472</u>	<u>16,736,506</u>	<u>88,958,978</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	30,758,102	2,473,712	33,231,814
Special	12,532,271	3,397,510	15,929,781
Vocational	9,057	-	9,057
Other	4,397,855	-	4,397,855
Support Services:			
Pupils	4,713,276	619,147	5,332,423
Instructional Staff	1,349,234	482,720	1,831,954
Board of Education	16,915	-	16,915
Administration	5,168,325	104,199	5,272,524
Fiscal	1,055,053	48,338	1,103,391
Business	374,882	-	374,882
Operation and Maintenance of Plant	4,358,023	613,104	4,971,127
Pupil Transportation	2,817,381	277,810	3,095,191
Central	1,370,573	153,491	1,524,064
Operation of Non-Instructional Services	500	2,601,433	2,601,933
Extracurricular Activities	798,035	335,338	1,133,373
Capital Outlay	-	495,450	495,450
Debt Service:			
Principal	-	2,335,253	2,335,253
Interest	-	2,635,981	2,635,981
<i>Total Expenditures</i>	<u>69,719,482</u>	<u>16,573,486</u>	<u>86,292,968</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	2,502,990	163,020	2,666,010
OTHER FINANCING SOURCES (USES):			
Transfers In	-	11,000	11,000
Transfers Out	(11,000)	-	(11,000)
Total Other Financing Sources (Uses)	<u>(11,000)</u>	<u>11,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	2,491,990	174,020	2,666,010
<i>Fund Balance at Beginning of Year</i>	<u>53,574,975</u>	<u>10,399,925</u>	<u>63,974,900</u>
<i>Fund Balance at End of Year</i>	<u>\$ 56,066,965</u>	<u>\$ 10,573,945</u>	<u>\$ 66,640,910</u>

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

Huber Heights City School District, Ohio

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

Net Change in Fund Balances - Total Governmental Funds \$ 2,666,010

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

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

Capital asset additions	1,121,647
Depreciation expense	(1,881,291)
Net book value of capital assets disposed of during year	(311,181)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (493,007)

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

Repayment of long-term bonds and capital leases	2,335,253
Current year amortization of bond premium	481,987
Current year amortization of deferred charge on refunding	(560,742)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Accrued interest payable	8,559
Compensated absences	(237,610)

Contractually required pension and OPEB plan contributions are reported as expenditures in the governmental funds, however, the statement of activities reports these amounts as deferred outflows. 6,188,450

Except for amounts reported as deferred outflows/inflows, changes in the net pension and OPEB liabilities are reported as negative pension and OPEB expense among the functions in the statement of activities. (11,475,028)

Change in Net Position of Governmental Activities \$ (2,156,953)

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

Huber Heights City School District, Ohio

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Property Taxes	\$ 25,345,380	\$ 27,206,356	\$ 27,206,356	\$ -
Intergovernmental	37,427,432	41,367,045	41,013,171	(353,874)
Interest	696,219	540,000	527,264	(12,736)
Tuition and Fees	1,014,144	848,064	1,084,088	236,024
Extracurricular Activities	142,492	111,342	159,578	48,236
Gifts and Donations	25,000	49,000	600	(48,400)
Rent	95,000	70,000	75,777	5,777
Customer Sales and Services	-	-	-	-
Miscellaneous	1,180,192	602,376	756,095	153,719
Total Revenues	<u>65,925,859</u>	<u>70,794,183</u>	<u>70,822,929</u>	<u>28,746</u>
Expenditures:				
Current:				
Instruction:				
Regular	32,138,352	31,486,513	31,165,413	321,100
Special	13,419,536	13,195,878	12,625,194	570,684
Vocational	11,543	11,351	10,860	491
Student Intervention Services	23,480	23,089	22,090	999
Other	4,653,878	4,576,313	4,378,401	197,912
Support Services:				
Pupils	4,860,151	4,779,148	4,572,464	206,684
Instructional Staff	1,450,314	1,426,143	1,364,466	61,677
Board of Education	17,986	17,686	16,921	765
Administration	5,472,134	5,380,932	5,148,222	232,710
Fiscal	1,152,491	1,133,283	1,084,272	49,011
Business	401,372	394,683	377,614	17,069
Operation and Maintenance of Plant	4,960,689	4,878,011	4,667,051	210,960
Pupil Transportation	3,312,952	3,257,737	3,116,849	140,888
Central	1,964,768	1,932,022	1,848,468	83,554
Operation of Non-Instructional Services	531	523	500	23
Extracurricular Activities	856,842	842,561	806,123	36,438
Total Expenditures	<u>74,697,019</u>	<u>73,335,873</u>	<u>71,204,908</u>	<u>2,130,965</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>(8,771,160)</u>	<u>(2,541,690)</u>	<u>(381,979)</u>	<u>2,159,711</u>
Other Financing Sources (Uses):				
Advances In	300,000	1,095,650	1,095,650	-
Proceeds from Sale of Capital Assets	-	25	25	-
Insurance Recoveries	-	738	738	-
Refund of Prior Year Expenditures	100,075	1,795,693	1,795,693	-
Transfers Out	(100,000)	(200,000)	(101,000)	99,000
Advances Out	(300,000)	(700,000)	(1,254,400)	(554,400)
Total Other Financing Sources (Uses)	<u>75</u>	<u>1,992,106</u>	<u>1,536,706</u>	<u>(455,400)</u>
Net Change in Fund Balance	<u>(8,771,085)</u>	<u>(549,584)</u>	<u>1,154,727</u>	<u>1,704,311</u>
Fund Balance, July 1	57,445,020	57,445,020	57,445,020	-
Prior Year Encumbrances	660,134	660,134	660,134	-
Fund Balance, June 30	<u>\$ 49,334,069</u>	<u>\$ 57,555,570</u>	<u>\$ 59,259,881</u>	<u>\$ 1,704,311</u>

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

Huber Heights City School District, Ohio

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

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
ASSETS:		
Current Assets:		
Equity in Pooled Cash and Cash Equivalents	\$ 9,535	\$ 24,702
<i>Total Assets</i>	<u>9,535</u>	<u>24,702</u>
NET POSITION:		
Restricted for Student Scholarships	9,535	-
Restricted for Individuals, Organizations, and Other Governments	<u>-</u>	<u>24,702</u>
<i>Total Net Position</i>	<u>\$ 9,535</u>	<u>\$ 24,702</u>

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

Huber Heights City School District, Ohio

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

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
ADDITIONS:		
Gifts and Donations	\$ 1,318	\$ -
Investment Earnings	<u>8</u>	<u>-</u>
<i>Total Additions</i>	<u>1,326</u>	<u>-</u>
DEDUCTIONS:		
Extracurricular Disbursements to Other Organizations	<u>-</u>	<u>1,855</u>
<i>Total Deductions</i>	<u>-</u>	<u>1,855</u>
<i>Change in Net Position</i>	1,326	(1,855)
<i>Net Position at Beginning of Year</i>	<u>8,209</u>	<u>26,557</u>
<i>Net Position at End of Year</i>	<u>\$ 9,535</u>	<u>\$ 24,702</u>

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

Huber Heights City School District, Ohio

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

1. Description of the District and Reporting Entity

The Huber Heights City School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five member board and is responsible for the provision of public education to residents of the District. The Board controls the District’s instructional/support facilities staffed by 220 non-certificated staff, 391 certificated staff members and 34 administrative staff to provide services to 5,590 students.

Reporting Entity

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

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

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

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies

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

a. Fund Accounting

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

Governmental Funds

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

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.

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

Fiduciary Funds

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

b. Basis of Presentation

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

c. **Basis of Accounting**

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

Revenues, Exchange and Non-exchange Transactions

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

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension, and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained further in Notes 12 and 13.

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time. For the District, deferred inflows of resources include property taxes, unavailable revenue, pension, and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes delinquent property taxes, intergovernmental grants, student fees, and tuition. These amounts are deferred and recognized as an inflow of resources as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 12 and 13).

Expenditures/Expenses

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

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

Budgets and Budgetary Accounting

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

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

Tax Budget

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

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

Estimated Resources

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

Appropriations

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

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

Lapsing of Appropriations

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

d. Cash and Cash Equivalents

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

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

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

For fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance for all deposits or withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participants will be combined for these purposes.

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

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

Under existing Ohio statutes, all investment earnings accrue to the general, food service fund and auxiliary service fund. Interest earnings allocated to the food service and auxiliary service funds are based on average monthly cash balances. Investment income credited to the general fund during the fiscal year amounted to \$125,810, which includes \$19,063 assigned from other District funds.

e. **Interfund Balances**

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

f. **Capital Assets and Depreciation**

General capital assets are reported in the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at acquisition values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$5,000 and a useful life of less than 1 year. The District does not possess any infrastructure.

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

g. Compensated Absences

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

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employee will be paid.

h. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and from current financial resources, are reported as obligations of the funds. However, compensated absences and claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension and OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension and OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

i. Pensions/Other Postemployment Benefits (OPEB)

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

j. **Fund Balance**

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

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

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

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

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

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

k. Net Position

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

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

l. Interfund Activity

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

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

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

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

Huber Heights City School District, Ohio

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

2. Summary of Significant Accounting Policies (continued)

n. Estimates

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

3. Accountability – Deficit Fund Balances

Individual fund deficits reported at June 30, 2021 include the following:

<u>Non-Major Funds</u>	<u>Deficit</u>
Auxiliary Services	\$ 42,509
Elementary and Secondary School Emergency Relief	48,042
Coronavirus Relief Fund (CRF)	3,213
IDEA, Part B Grant	266,185
Title III, Limited English Proficiency Grant	2,177
Title I Grant	91,686
IDEA Preschool Grant	2,953

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

4. Budgetary Basis of Accounting

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

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

Huber Heights City School District, Ohio

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

4. Budgetary Basis of Accounting (Continued)

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

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

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

Net Change in Fund Balance	
	General Fund
Budget Basis	\$ 1,154,727
Adjustments:	
Revenue Accruals	(604,178)
Expenditure Accruals	(367,640)
Encumbrances	2,054,306
Other Financing Sources(Uses)	248,750
Perspective Budgeting Difference **	6,025
GAAP Basis	\$ 2,491,990

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

5. Deposits and Investments

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

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

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

Huber Heights City School District, Ohio

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

5. Deposits and Investments (continued)

Interim Monies - Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested in legal securities (see Note 2d), including any of the following:

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

Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

Bonds and other obligations of the State of Ohio;

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

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

Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from purchase date in an amount not to exceed 25% of the interim monies available for investment at any one time, and under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

Huber Heights City School District, Ohio

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

5. Deposits and Investments (continued)

Deposits

At June 30, 2021, the carrying amount of all District deposits was \$300,395, including cash on hand. Based on the criteria described in GASB Statement 40, *Deposits and Investment Risk Disclosures*, \$250,000 of the District's bank balance of \$766,928 was covered by Federal Deposit Insurance Corporation and \$376,836 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name, and \$140,092 was uninsured and uncollateralized. The District's financial institution was approved for a reduced collateral rate of 50% through the Ohio Pooled Collateral System, resulting in uninsured and uncollateralized balance.

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

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

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

Investments

As of June 30, 2021, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Measurement</u>	<u>Maturity (in years)</u>		
	<u>Value</u>	<u>less than 1</u>	<u>1 to 3</u>	<u>4 to 5</u>
U.S. Agencies	\$ 15,566,195	\$ 1,011,730	\$ 7,902,761	\$ 6,651,704
U.S. Treasury Note	2,010,976	2,010,976	-	-
Negotiable CDs	22,752,694	18,012,825	3,969,012	770,857
Commercial Paper	16,592,152	16,592,152	-	-
Money Market Funds	4,161,366	4,161,366	-	-
STAROhio	12,156,812	12,156,812	-	-
Total	<u>\$ 73,240,195</u>	<u>\$ 53,945,861</u>	<u>\$ 11,871,773</u>	<u>\$ 7,422,561</u>

Interest Rate Risk

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

Huber Heights City School District, Ohio

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

5. Deposits and Investments (continued)

Credit Risk

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

Custodial Credit Risk

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

Concentration of Credit Risk

The District places a limit on the percentage of the portfolio that may be held in the form of commercial paper, other than this stipulation, the District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2021:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>% of Portfolio</u>
U.S. Agencies	\$ 15,566,195	21.25%
U.S. Treasury Note	2,010,976	2.75%
Negotiable CDs	22,752,694	31.07%
Commercial Paper	16,592,152	22.65%
Money Market Funds	4,161,366	5.68%
STAROhio	12,156,812	16.60%
Total	<u>\$ 73,240,195</u>	

Fair Value Measurement

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

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

Huber Heights City School District, Ohio

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

5. Deposits and Investments (continued)

The categorization of investments within the hierarchy is based upon the transparency of the instrument and should not be perceived as the particular investment's risk. The District had the following reoccurring fair value measurements as of June 30, 2021:

<u>Investment Type</u>	<u>Total</u>	<u>Identical Assets (Level 1)</u>	<u>Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
U.S. Agencies	\$ 15,566,195	\$ -	\$ 15,566,195	\$ -
U.S. Treasury Note	2,010,976	-	2,010,976	-
Negotiable CDs	22,752,694	-	22,752,694	-
Commerical Paper	16,592,152	-	16,592,152	-
Total	<u>\$ 56,922,017</u>	<u>\$ -</u>	<u>\$ 56,922,017</u>	<u>\$ -</u>

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

6. Property Taxes

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

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

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

Huber Heights City School District, Ohio

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

6. Property Taxes (continued)

The assessed values upon which fiscal year 2021 taxes receipts were based on are as follows:

	2021 First Half Collections	2020 Second Half Collections
Real Estate		
Residential /Agricultural	\$ 678,466,780	\$ 569,684,570
Commerical / Industrial	141,887,720	129,354,990
Public Utility Property	17,020,230	16,746,280
Total	\$ 837,374,730	\$ 715,785,840

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

7. Receivables

Receivables at June 30, 2021 consisted of taxes, accounts (tuition and student fees), and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of the District's intergovernmental receivables follows:

Governmental Activities:	Amount
<i>General Fund</i>	
Tuition from other school districts	\$ 389,444
<i>Non-Major Governmental Funds</i>	
Food Service Reimbursements	227,469
IDEA, Part B Federal Grant	223,326
Title I Federal Grant	571,010
Supporting Effective Instruction State Grant	197,215
Miscellaneous Federal and State Grants	129,218
Total	\$ 1,737,682

Huber Heights City School District, Ohio

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

8. Capital Assets

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

	Balance at 6/30/2020	Additions	Deductions	Balance at 6/30/2021
<u>Capital Assets, not being depreciated:</u>				
Land	\$ 915,794	\$ -	\$ -	\$ 915,794
Construction in Progress	-	495,450	-	495,450
	<u>915,794</u>	<u>495,450</u>	<u>-</u>	<u>1,411,244</u>
<u>Capital Assets, being depreciated:</u>				
Land Improvements	2,473,592	242,099	772,828	1,942,863
Buildings and Improvements	161,277,980	22,114	-	161,300,094
Machinery and Equipment	1,353,405	-	-	1,353,405
Vehicles	4,123,539	361,984	165,082	4,320,441
	<u>169,228,516</u>	<u>626,197</u>	<u>937,910</u>	<u>168,916,803</u>
<u>Less: Accumulated Depreciation:</u>				
Land Improvements	1,368,072	120,134	478,155	1,010,051
Buildings and Improvements	15,592,357	1,456,967	-	17,049,324
Machinery and Equipment	766,059	108,259	-	874,318
Vehicles	2,833,883	195,931	148,574	2,881,240
	<u>20,560,371</u>	<u>1,881,291</u> *	<u>626,729</u>	<u>21,814,933</u>
Capital Assets, being depreciated, net	<u>148,668,145</u>	<u>(1,255,094)</u>	<u>311,181</u>	<u>147,101,870</u>
Total Capital Assets, net	<u>\$ 149,583,939</u>	<u>\$ (759,644)</u>	<u>\$ 311,181</u>	<u>\$ 148,513,114</u>

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

Instruction:	
Regular	\$ 1,582,391
Special	7,212
Support Services:	
Administration	932
Operation and Maintenance of Plant	89,380
Pupil Transportation	184,694
Non-Instructional Services	13,780
Extracurricular Activities	2,902
	<u>1,881,291</u>
Total Depreciation Expense	<u>\$ 1,881,291</u>

9. Interfund Transactions

During the fiscal year ended June 30, 2021, the General Fund transferred \$11,000 to the District Managed Student Activities Fund, a nonmajor special revenue fund, to provide operating resources to certain activities affected by the economic conditions caused by the ongoing pandemic.

Huber Heights City School District, Ohio

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

9. Interfund Transactions (continued)

Interfund balances on the fund statements at June 30, 2021 consist of the following receivables and payables:

Fund	Receivable	Payable
General Fund	\$ 1,254,400	
Other Governmental Funds:		
Non-Major Special Revenue Funds:		
COVID Elementary & Secondary School Relief Fund		\$ 692,000
COVID Coronavirus Relief Fund		8,200
IDEA, Part B Grant Fund		196,000
Supplemental School Improvement Grant Fund		18,000
Title III - Limited English Proficiency Grant Fund		7,200
Title I Grant Fund		218,000
IDEA Preschool Grant Fund		3,000
Supporting Effective Instruction State Grants Fund		88,000
Miscellaneous Federal Grants Fund		24,000
	\$ 1,254,400	\$ 1,254,400

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

10. Risk Management

The District is exposed to various risks of loss related to torts, theft or, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District contracts with the Southwestern Ohio Educational Purchasing Council for insurance. This policy has a limit in the amount of \$350 million for property. The base policy for vehicle liability insurance is \$5.0 million per occurrence. The Treasurer is separately bonded.

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

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

Huber Heights City School District, Ohio

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

10. Risk Management (continued)

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

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

11. Long-Term Obligations

The activity of the District's long-term obligations during fiscal year 2021 was as follows:

	Balance 7/1/2020	Increase	Decrease	Balance 6/30/2021	Amount Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
2015 Refunding 4.0%	\$ 8,565,000	\$ -	\$ -	\$ 8,565,000	\$ -
2016 Refunding 3.0-5.0%	55,690,000	-	(2,125,000)	53,565,000	2,395,000
Unamortized Premium	6,397,171	-	(481,987)	5,915,184	-
Total General Obligation Bonds	70,652,171	-	(2,606,987)	68,045,184	2,395,000
Net Pension Liability:					
STRS	58,144,082	6,982,802	-	65,126,884	-
SERS	15,430,645	1,592,353	-	17,022,998	-
Total Net Pension Liability	73,574,727	8,575,155	-	82,149,882	-
Net OPEB Liability:					
SERS	6,516,281	-	(942,615)	5,573,666	-
Other Long-Term Obligations:					
Capital Leases	1,045,835	-	(210,253)	835,582	212,413
Compensated Absences	3,045,895	590,870	(353,260)	3,283,505	380,818
Total Governmental Activities	<u>\$ 154,834,909</u>	<u>\$ 9,166,025</u>	<u>\$ (4,113,115)</u>	<u>\$ 159,887,819</u>	<u>\$ 2,988,231</u>

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

Huber Heights City School District, Ohio

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

11. Long-Term Obligations (continued)

A portion of the 2010 general obligation bonds was refunded during fiscal year 2016 with the 2015 Refunding bonds, issued in the amount of \$8,565,000. In addition, another portion of the 2010 general obligations bonds was refunded with the issuance of the 2016 Refunding bonds, issued in the amount of \$57,275,000. The proceeds, plus applicable premiums, were placed into irrevocable trusts to provide resources for all future debt service requirements on the refunded 2010 bonds. As a result of these refundings, the refunded 2010 general obligation bonds are considered defeased (in substance) and accordingly have been removed from the statement of net position and were paid in full in 2020.

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

Fiscal Year	Principal	Interest	Total
2022	\$ 2,395,000	\$ 2,494,675	\$ 4,889,675
2023	2,510,000	2,372,050	4,882,050
2024	2,635,000	2,256,600	4,891,600
2025	2,905,000	2,145,800	5,050,800
2026	3,025,000	2,027,200	5,052,200
2027-2031	18,410,000	7,861,050	26,271,050
2032-2036	24,540,000	3,127,550	27,667,550
2037	<u>5,710,000</u>	<u>85,650</u>	<u>5,795,650</u>
Total	<u>\$ 62,130,000</u>	<u>\$ 22,370,575</u>	<u>\$ 84,500,575</u>

Capital Lease – Lessee Disclosure

In prior years, the District entered into two separate agreements; one to provide financing to advance refund the 2010 school improvement certificates of participation and the other to acquire school buses. Both leases meet the criteria of a capital lease in that the benefits and risk of ownership had transferred to the lessee. Capital lease payments are reflected as debt service payments in the permanent improvement fund in the basic financial statements for both these agreements. These expenditures are reflected as program/function expenditures on a budgetary basis. During the current fiscal, the District made lease principal payments totaling \$210,253.

The school buses acquired through the capital lease are recorded in the financial statements with a carrying value of \$273,019 (\$373,998 historical cost less \$100,979 in accumulated depreciation).

Huber Heights City School District, Ohio

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

11. Long-Term Obligations (continued)

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

<u>Fiscal Year Ended June 30,</u>	<u>Total Payments</u>
2022	\$ 234,339
2023	235,036
2024	234,606
2025	<u>179,965</u>
Total Minimum Lease Payments	883,946
Less: Amount Representing Interest	<u>(48,364)</u>
Present Value of Minimum Lease Payments	<u>\$ 835,582</u>

Compensated Absences, Net Pension Liability, and OPEB Liability

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

12. Defined Benefits Pension Plans

a. **Net Pension Liability**

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

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

Huber Heights City School District, Ohio

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

12. Defined Benefits Pension Plans (continued)

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

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

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

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

District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org 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; or age 65 with 5 years of service credit	Age 67 with 10 years of service; or age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or age 60 with 25 years of service credit

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

Huber Heights City School District, Ohio

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

12. Defined Benefits Pension Plans (continued)

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

Prior to January 1, 2018, on the anniversary of the initial date of retirement, the allowances of all retirees and survivors are increased 3% of the base benefit. On and after January 1, 2018, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W, measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0% nor greater than 2.5%. COLAs were suspended for calendar years 2018, 2019 and 2020. On and after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement. One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, and Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the 14% was allocated to only three of the funds (Pension Trust Fund, Death Benefit Fund and Medicare B Fund).

The District's contractually required contribution to SERS was \$1,245,397 for fiscal year 2021. Of this amount, \$199,215 is reported as an intergovernmental payable.

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

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

Huber Heights City School District, Ohio

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

12. Defined Benefit Pension Plans (continued)

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or at age 55 with 26 years of service, or 30 years of service regardless of age. Increases in age and service requirements increase effective August 1, 2015 and 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.

The DC Plan allows members to place all their member contributions and 9.53% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14%-member rate goes to the DC Plan and 2% goes 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 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 Ohio 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 Ohio bearing the risk of investment gain or loss on the account. STRS Ohio therefore has included all three plan options as one defined benefit plan for GASB Statement No. 68 reporting purposes.

Huber Heights City School District, Ohio

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

12. Defined Benefit Pension Plans (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% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was approximately \$4,815,045 for fiscal year 2021. Of this amount, \$888,224 is reported as an intergovernmental payable.

d. Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources for 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 District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportionate share of the net pension liability	\$ 17,022,998	\$ 65,126,884	\$ 82,149,882
Proportion of the net pension liability	0.257370%	0.269159%	
Change in proportionate share	-0.000531%	0.006235%	
Pension expense	\$ 2,338,079	\$ 9,293,111	\$ 11,631,190

Huber Heights City School District, Ohio

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

12. Defined Benefit Pension Plans (continued)

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

	SERS	STRS	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 33,066	\$ 146,128	\$ 179,194
Net difference between projected and actual earnings on pension plan investments	1,080,615	3,167,127	4,247,742
Change in assumptions	-	3,496,056	3,496,056
Change in District's proportionate share and difference in employer contributions	127,307	2,620,966	2,748,273
District contributions subsequent to the measurement date	1,245,397	4,815,045	6,060,442
Total	\$ 2,486,385	\$ 14,245,322	\$ 16,731,707
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 416,443	\$ 416,443
Change in District's proportionate share and difference in employer contributions	19,243	-	19,243
Total	\$ 19,243	\$ 416,443	\$ 435,686

\$6,060,442 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ 114,050	\$ 3,297,545	\$ 3,411,595
2023	318,946	1,733,711	2,052,657
2024	450,424	2,288,535	2,738,959
2025	338,325	1,694,043	2,032,368
	\$ 1,221,745	\$ 9,013,834	\$ 10,235,579

Huber Heights City School District, Ohio

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

12. Defined Benefit 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 consider the employee's entire career with the employer and take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

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

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.50 percent
Investment rate of return	7.50 percent of net investments expense, including inflation
Actuarial cost method	Entry Age Normal

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females for active members. Mortality among service retired members and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

Huber Heights City School District, Ohio

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

12. Defined Benefit Pension Plans (continued)

The actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2010 to June 30, 2015 adopted by the Board on April 21, 2016.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00%	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	<u>5.00%</u>	6.65%
Total	<u>100.00%</u>	

Discount Rate – Total pension liability was calculated using the discount rate of 7.5%. 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 (7.5%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.5%, 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 (6.5%), or one percentage point higher (8.5%) than the current rate.

Huber Heights City School District, Ohio

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

12. Defined Benefit Pension Plans (continued)

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$ 23,319,428	\$ 17,022,998	\$ 11,740,173

f. Actuarial Assumptions - STRS

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

Inflation	2.50 percent
Salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Payroll increases	3.00 percent
Investment rate of return	7.45 percent, net of investment expenses, including inflation
Discount rate of return	7.45 percent
Cost-of-living adjustments (COLA)	0.00 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. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disability 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.

The actuarial assumptions were based on the results of an actual experience study for the period July 1, 2011 through June 30, 2016.

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

Huber Heights City School District, Ohio

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

12. Defined Benefit Pension Plans (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>
Domestic equity	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	<u>1.00%</u>	2.25%
Total	<u>100.00%</u>	

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

Discount Rate – The discount rate used to measure the total pension liability was 7.45% 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% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

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

	<u>1% Decrease (6.45%)</u>	<u>Current Discount Rate (7.45%)</u>	<u>1% Increase (8.45%)</u>
District's proportionate share of the net pension liability	\$ 92,729,345	\$ 65,126,884	\$ 41,736,098

Huber Heights City School District, Ohio

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

13. Postemployment Benefit Plans Other than Pension (OPEB)

a. **Net OPEB Liability/Asset**

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

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

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

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

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

Huber Heights City School District, Ohio

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

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

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

Health Care Plan Description— The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB Statement No. 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 Comprehensive Annual Financial Report which can be obtained on SERS' website at 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% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, there was no portion allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, the minimum compensation amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the District's surcharge obligation was \$128,008.

Huber Heights City School District, Ohio

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

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

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 partial premium reimbursements will be continued indefinitely. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

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

d. **OPEB Assets and Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

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

	SERS	STRS	Total
Proportionate share of the net OPEB asset	\$ -	\$ 4,730,463	\$ 4,730,463
Proportionate share of the net OPEB liability	5,573,666	-	5,573,666
Proportion of the net OPEB asset/liability	0.256458%	0.269159%	
Change in proportionate share	-0.002660%	0.006234%	
OPEB (negative) expense	\$ 28,769	\$ (184,931)	\$ (156,162)

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

Huber Heights City School District, Ohio

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 73,203	\$ 303,105	\$ 376,308
Net difference between projected and actual earnings on OPEB plan investments	62,802	165,783	228,585
Change in assumptions	950,117	78,090	1,028,207
Difference between employer contributions and proportionate share of contributions	351,924	336,382	688,306
District contributions subsequent to the measurement date	<u>128,008</u>	<u>-</u>	<u>128,008</u>
Total	<u>\$ 1,566,054</u>	<u>\$ 883,360</u>	<u>\$ 2,449,414</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 2,834,599	\$ 942,239	\$ 3,776,838
Change in assumptions	140,386	4,493,145	4,633,531
Difference between employer contributions and proportionate share of contributions	<u>74,764</u>	<u>-</u>	<u>74,764</u>
Total	<u>\$ 3,049,749</u>	<u>\$ 5,435,384</u>	<u>\$ 8,485,133</u>

\$128,008 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset or liability in the year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ (306,557)	\$ (1,125,207)	\$ (1,431,764)
2023	(302,013)	(1,012,992)	(1,315,005)
2024	(302,752)	(973,625)	(1,276,377)
2025	(318,369)	(1,004,846)	(1,323,215)
2026	(274,191)	(206,765)	(480,956)
2027	<u>(107,821)</u>	<u>(228,589)</u>	<u>(336,410)</u>
	<u>\$ (1,611,703)</u>	<u>\$ (4,552,024)</u>	<u>\$ (6,163,727)</u>

Huber Heights City School District, Ohio

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

13. Postemployment Benefit Plans Other than Pension (OPEB) (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 consider the employee's entire career with the employer and take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

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

Investment rate of return, including inflation	7.50% net of investment expense
Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Municipal bond index rate:	
Prior measurement date	3.13%
Measurement date	2.45%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Prior measurement date	3.22%
Measurement date	2.63%
Health care cost trends	
Pre-Medicare	7.00% - 4.75%
Medicare	5.25% - 4.75%

Huber Heights City School District, Ohio

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

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

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. PR-2000 Disabled Mortality Table with 90% for males rate and 100% for female rates set back five years.

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%, 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 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 in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00%	1.85%
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 estate	17.00%	6.60%
Multi-asset strategies	<u>5.00%</u>	6.65%
Total	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63%. The discount rate used to measure total OPEB liability at June 30, 2019 was 3.22%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and SERS at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2035.

Huber Heights City School District, Ohio

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

13. Postemployment Benefit Plans Other than Pension (OPEB) (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, 2034 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45% 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 District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and the Health Care Cost Trend Rates – The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability calculated using the discount rate of 2.63%, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.63%) and one percentage point higher (3.63%) than the current rate.

	1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
District's proportionate share of the net OPEB liability	\$ 6,822,029	\$ 5,573,666	\$ 4,581,220

The following table presents the net OPEB liability calculated using current health care cost trend rates, as well as what the District's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (6.00% decreasing to 3.75%) and one percentage point higher (8.00% decreasing to 5.75%) than the current rates.

	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%)
District's proportionate share of the net OPEB liability	\$ 4,388,838	\$ 5,573,666	\$ 7,158,085

Huber Heights City School District, Ohio

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

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

f. Actuarial Assumptions - STRS

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

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

For healthy retirees the mortality rates 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. For disabled retirees, 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.

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.

Since the prior measurement date, claim curves were trended to the fiscal year ending June 30, 2021 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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

Huber Heights City School District, Ohio

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real 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	<u>1.00%</u>	2.25%
Total	<u>100.00%</u>	

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

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

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and the Health Care Cost Trend Rates – The following table presents the District's proportionate share of the net OPEB asset calculated using the current period discount rate assumption of 7.45%, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45%) and one percentage point higher (8.45%) than the current rate. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower and one percentage point higher than the current health care cost trend rates:

	<u>1% Decrease (6.45%)</u>	<u>Current Discount Rate (7.45%)</u>	<u>1% Increase (8.45%)</u>
District's proportionate share of the net OPEB asset	\$ 4,115,811	\$ 4,730,463	\$ 5,251,974
	<u>1% Decrease In Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase In Trend Rates</u>
District's proportionate share of the net OPEB asset	\$ 5,219,603	\$ 4,730,463	\$ 4,134,620

Huber Heights City School District, Ohio

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

14. Statutory Reserve

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

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

	Capital Acquisition
Set-aside cash balance as of June 30, 2020	\$ -
Current year set-aside requirements	1,059,253
Current year offset - PI Levy	(1,198,085)
Total	\$ (138,832)
Set-aside cash balance as of June 30, 2021	\$ -

Although the District had current year offsets which exceeded the current year set-aside requirement, the excess amount may not be used to reduce the set-aside requirements of future fiscal years. Therefore, the excess is not presented as being carried forward to the next fiscal year.

15. Commitments - Encumbrances

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

Fund Type	Year-End Encumbrances
General fund	\$ 2,054,306
Other governmental funds	1,025,626
Total	\$ 3,079,932

Huber Heights City School District, Ohio

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

16. Contingencies

a. Grants

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits should become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2021, if applicable, cannot be determined at this time.

b. Full-Time Equivalency Review

The District's State funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment is updated by schools throughout the State, which can extend past the end of the fiscal year. The results of these FTE reviews for fiscal year 2021, resulted in no significant modifications to the District's Foundation funding.

c. Litigation

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

17. Jointly Governed Organizations

a. Southwestern Ohio Educational Purchasing Council (SOEPC)

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of 126 public school districts in 18 counties in southwestern Ohio. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC. Each member district has one voting representative. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One-year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. During fiscal year 2021, the District paid \$9,948,440 to SOEPC, which includes benefit premiums. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

Huber Heights City School District, Ohio

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

17. Jointly Governed Organizations (Continued)

b. Metropolitan Educational Technical Association (META)

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

The governing board of MVECA consists of a president, vice president and six board members who represent the members of META. The Board works with META's Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organizations mission, vision and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. The District paid META \$260,789 for services during fiscal year 2021. Financial information can be obtained from Ashley Widby, who serves as Chief Financial Officer, at 100 Executive Drive, Marion, Ohio 43302.

c. Miami Valley Career Technology Center

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

d. Southwestern Ohio Instructional Technology Association

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

Huber Heights City School District, Ohio

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

17. Jointly Governed Organizations (Continued)

All member districts are obligated to pay all fees, charges or other assessments as established by SOITA. Upon dissolution, the remaining net position shall be distributed to the federal government, or to a state or local government, for a public purpose. The District did not have any payments during fiscal year 2021 to SOITA. To obtain financial information, write to the Southwestern Ohio Instructional Technology Association, Gary Greenberg, who serves as the Executive Director, at 1205 East Fifth Street, Dayton, Ohio 45402.

18. Covid-19 Pandemic

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021 while the national state of emergency continues. During fiscal year 2021, the District received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Additional funding has been made available through the Consolidated Appropriations Act 2021, passed by Congress on December 1, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

During fiscal year 2021, the District recognized revenue amounting to \$1,243,265 in Elementary and Secondary School Emergency Relief Program funding and \$1,428,759 in Coronavirus Relief Fund Program funding.

19. Subsequent Event

For fiscal year 2022, School District foundation funding received from the State of Ohio will be funded using the direct funding model. Under this new model, community 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 \$3,823,835 in revenue and expenditures/expenses related to these programs.

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HUBER HEIGHTS

CITY SCHOOLS

REQUIRED SUPPLEMENTARY INFORMATION

Huber Heights City School District, Ohio

*Schedule of the District's Proportionate Share of the Net Pension Liability
Last Seven Fiscal Years (1) (2)*

District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
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School Employees Retirement System of Ohio:

2015	0.237112%	\$ 12,000,406	\$ 6,929,298	173.18%	71.70%
2016	0.225554%	12,870,324	6,791,495	189.51%	69.16%
2017	0.234142%	17,136,997	6,465,521	265.05%	62.98%
2018	0.237507%	14,190,495	7,701,121	184.27%	69.50%
2019	0.245201%	14,043,118	8,228,437	170.67%	71.36%
2020	0.257901%	15,430,645	8,847,452	174.41%	70.85%
2021	0.257370%	17,022,998	9,022,829	188.67%	68.55%

State Teachers Retirement System of Ohio:

2015	0.250401%	\$ 60,906,219	\$ 27,062,346	225.06%	74.70%
2016	0.242724%	67,081,811	23,562,886	284.69%	72.09%
2017	0.243817%	81,612,745	25,838,086	315.86%	66.78%
2018	0.251087%	59,646,360	28,541,871	208.98%	75.30%
2019	0.256584%	56,417,103	29,464,893	191.47%	77.30%
2020	0.262924%	58,144,082	30,868,307	188.36%	77.40%
2021	0.269159%	65,126,884	32,483,279	200.49%	75.50%

(1) Information prior to 2015 is not available. The District will continue to present information for years available until a full ten-year trend is compiled.

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

See accompanying notes to the required supplementary information.

Huber Heights City School District, Ohio

Schedule of the District's Contributions - Pension Plans Last Eight Fiscal Years (1)

	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
School Employees Retirement System of Ohio:					
2014	\$ 960,398	\$ (960,398)	\$ -	6,929,298	13.86%
2015	895,119	(895,119)	-	6,791,495	13.18%
2016	905,173	(905,173)	-	6,465,521	14.00%
2017	1,078,157	(1,078,157)	-	7,701,121	14.00%
2018	1,110,839	(1,110,839)	-	8,228,437	13.50%
2019	1,194,406	(1,194,406)	-	8,847,452	13.50%
2020	1,263,196	(1,263,196)	-	9,022,829	14.00%
2021	1,245,397	(1,245,397)	-	8,895,693	14.00%
State Teachers Retirement System of Ohio:					
2014	\$ 3,518,105	\$ (3,518,105)	\$ -	27,062,346	13.00%
2015	3,298,804	(3,298,804)	-	23,562,886	14.00%
2016	3,617,332	(3,617,332)	-	25,838,086	14.00%
2017	3,995,862	(3,995,862)	-	28,541,871	14.00%
2018	4,125,085	(4,125,085)	-	29,464,893	14.00%
2019	4,321,563	(4,321,563)	-	30,868,307	14.00%
2020	4,547,659	(4,547,659)	-	32,483,279	14.00%
2021	4,815,045	(4,815,045)	-	34,393,179	14.00%

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

See accompanying notes to the required supplementary information.

Huber Heights City School District, Ohio

*Schedule of the District's Proportionate Share of the Net OPEB Liability (Asset)
Last Five Fiscal Years (1) (2)*

District's Proportion of the Net OPEB Liability or Asset	District's Proportionate Share of the Net OPEB Liability or (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset
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School Employees Retirement System of Ohio:

2017	0.237346%	\$ 6,765,237	\$ 6,465,521	104.64%	11.49%
2018	0.240921%	6,465,681	7,701,121	83.96%	12.46%
2019	0.248369%	6,890,441	8,228,437	83.74%	13.57%
2020	0.259118%	6,516,281	8,847,452	73.65%	15.57%
2021	0.256458%	5,573,666	9,022,829	61.77%	18.17%

State Teachers Retirement System of Ohio:

2017	0.243817%	\$ 13,039,372	\$ 25,838,086	50.47%	37.30%
2018	0.251087%	9,796,505	28,541,871	34.32%	47.11%
2019	0.256584%	(4,123,046)	29,464,893	-13.99%	176.00%
2020	0.262924%	(4,354,654)	30,868,307	-14.11%	174.70%
2021	0.269159%	(4,730,463)	32,483,279	-14.56%	182.10%

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

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

See accompanying notes to the required supplementary information.

Huber Heights City School District, Ohio

Schedule of the District's Contributions - OPEB Plans Last Eight Fiscal Years (1)

	Contractually Required Contributions (2)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
School Employees Retirement System of Ohio:					
2014	\$ 134,722	\$ (134,722)	-	\$ 6,929,298	1.94%
2015	196,251	(196,251)	-	6,791,495	2.89%
2016	120,395	(120,395)	-	6,465,521	1.86%
2017	130,875	(130,875)	-	7,701,121	1.70%
2018	173,603	(173,603)	-	8,228,437	2.11%
2019	178,123	(178,123)	-	8,847,452	2.01%
2020	114,549	(114,549)	-	9,022,829	1.27%
2021	128,008	(128,008)	-	8,895,693	1.44%
State Teachers Retirement System of Ohio:					
2014	\$ 270,623	\$ (270,623)	-	\$ 27,062,346	1.00%
2015	-	-	-	23,562,886	0.00%
2016	-	-	-	25,838,086	0.00%
2017	-	-	-	28,541,871	0.00%
2018	-	-	-	29,464,893	0.00%
2019	-	-	-	30,868,307	0.00%
2020	-	-	-	32,483,279	0.00%
2021	-	-	-	34,393,179	0.00%

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

(2) Includes Surcharge for School Employees Retirement System of Ohio.

See accompanying notes to the required supplementary information.

Huber Heights City School District, Ohio

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

1. Defined Benefit Pension Plans

School Employees Retirement System of Ohio:

Change in assumptions. In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2015. Significant changes included a reduction of the discount rate from 7.75% to 7.50%, a reduction in the wage inflation rate from 3.25% to 3.00%, a reduction in the payroll growth assumption used from 4.00% to 3.50%, reduction in the assumed real wage growth rate from 0.75% to 0.50%, update of the rates of withdrawal, retirement and disability to reflect recent experience, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables for active members and service retired members and beneficiaries.

Change in benefit and funding terms. In measurement year 2018, post-retirement increases in benefits included the following changes: 1) members, or their survivors, retiring prior to January 1, 2018, receive a COLA increase of 3.0% of their base benefit on the anniversary of their initial date of retirement; 2) members, or their survivors, retiring on and after January 1, 2018, receive a COLA increase on each anniversary of their initial date of retirement equal to the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0%, nor greater than 2.5%. COLAs are suspended for calendar years 2018, 2019 and 2020; 3) members, or their survivors, retiring on or after April 1, 2018, will have their COLA delayed for three years following their initial date of retirement.

State Teachers Retirement System of Ohio:

Change in assumptions. In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2016. Significant changes included a reduction of the discount rate from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Change in benefit and funding terms. Effective July 1, 2017, the COLA was reduced to zero.

Huber Heights City School District, Ohio

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

2. Postemployment Benefit Plans Other than Pension (OPEB)

School Employees Retirement System of Ohio:

Change in assumptions. In measurement year 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2015. Significant changes included a reduction in the rate of inflation from 3.25% to 3.00%, a reduction in the payroll growth assumption from 4.00% to 3.50%, a reduction in assumed real wage growth from 0.75% to 0.50%, an update in rates of withdrawal, retirement and disability, and transitioning to the following mortality tables: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age setback for both active male and female members; RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB (120% of male rates, and 110% of female rates) for service retired members and beneficiaries; and 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 among disabled members.

In measurement year 2018, medical trend rates have been adjusted to reflect premium decreases.

Change in benefit and funding terms. In measurement year 2018, SERS' funding policy allowed a 2.0% health care contribution rate to be allocated to the Health Care Fund. The 2.0% is a combination of 0.5% employer contributions and 1.5% surcharge.

State Teachers Retirement System of Ohio:

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

For measurement year 2018, the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74. Valuation year per capital health care costs were updated.

Huber Heights City School District, Ohio

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

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

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

For measurement year 2018, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% 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 measurement year 2019, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 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 percentage were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For measurement year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2021 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES

Huber Heights City School District, Ohio

Special Revenue Funds

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

Food Service Fund

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

Miscellaneous Special Trusts Fund

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

Miscellaneous Grants Fund

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

Educational Foundation Fund

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

Facilities Maintenance Fund

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

Student Managed Activities Fund

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

District Managed Student Activity Fund

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

Auxiliary Services Fund

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

Network Connectivity Grant Fund

To account for state funds appropriated for the Ohio Educational Computer Network Connections.

Student Wellness and Success Grant Fund

To account for state grant funding restricted initiatives to support student achievement through mental health counseling, wraparound services, mentoring and after-school programs.

Miscellaneous State Grants Fund

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

Huber Heights City School District, Ohio

Special Revenue Funds (continued)

E&SSER (Elementary & Secondary School Emergency Relief) Grant Fund

To account for federal funds allocated to assist school districts address the financial and operational issues caused by the COVID-19 pandemic and ensuing emergency orders.

Coronavirus Relief Fund

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

Title VI-B Grant Fund

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

Supplemental School Improvement Grant Fund

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

Title III Grant Fund

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

Title I Grant Fund

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

IDEA Preschool Grant Fund

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

Title II- A Grant Fund

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

Miscellaneous Federal Grants Fund

To account for federal funds provided for miscellaneous federal programs.

Uniform School Supply Fund

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

Huber Heights City School District, Ohio

Special Revenue Funds (continued)

Public School Support Fund

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

Underground Storage Tank Fund

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

Capital Projects Fund

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

Permanent Improvement Fund

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

Debt Service Fund

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

Bond Retirement Fund

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

Huber Heights City School District, Ohio

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 6,482,543	\$ 2,560,763	\$ 2,635,626	\$ 11,678,932
Restricted: Cash and Cash Equivalents	25,924	-	-	25,924
Inventory Held for Resale	17,335	-	-	17,335
Materials and Supplies Inventory	8,590	-	-	8,590
Accounts Receivable	10,159	-	-	10,159
Intergovernmental Receivable	1,348,238	-	-	1,348,238
Taxes Receivable	296,747	593,496	4,324,144	5,214,387
<i>Total Assets</i>	<u>\$ 8,189,536</u>	<u>\$ 3,154,259</u>	<u>\$ 6,959,770</u>	<u>\$ 18,303,565</u>
LIABILITIES:				
Accounts Payable	\$ 153,488	\$ 121,708	\$ -	\$ 275,196
Accrued Wages and Benefits	442,030	-	-	442,030
Interfund Payable	1,254,400	-	-	1,254,400
Intergovernmental Payable	127,642	-	-	127,642
Matured Compensated Absences Payable	27,525	-	-	27,525
<i>Total Liabilities</i>	<u>2,005,085</u>	<u>121,708</u>	<u>-</u>	<u>2,126,793</u>
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance				
Current Year Operations	282,252	564,506	4,113,120	4,959,878
Unavailable Revenue	459,087	22,325	161,537	642,949
<i>Total Deferred Inflows of Resources</i>	<u>741,339</u>	<u>586,831</u>	<u>4,274,657</u>	<u>5,602,827</u>
FUND BALANCES:				
Nonspendable:				
Materials and Supplies Inventory	8,590	-	-	8,590
Restricted:				
Capital Outlay	-	2,445,720	-	2,445,720
Debt Service	-	-	2,685,113	2,685,113
Food Service	1,174,198	-	-	1,174,198
Facilities Maintenance	4,288,932	-	-	4,288,932
State and Federal Grant Programs	267,669	-	-	267,669
Other Purposes	160,488	-	-	160,488
Unassigned (Deficit)	(456,765)	-	-	(456,765)
<i>Total Fund Balances</i>	<u>5,443,112</u>	<u>2,445,720</u>	<u>2,685,113</u>	<u>10,573,945</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 8,189,536</u>	<u>\$ 3,154,259</u>	<u>\$ 6,959,770</u>	<u>\$ 18,303,565</u>

Huber Heights City School District, Ohio

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES:				
Property and Other Local Taxes	\$ 309,604	\$ 576,681	\$ 4,191,844	\$ 5,078,129
Intergovernmental	10,166,427	109,047	917,699	11,193,173
Interest	546	-	-	546
Extracurricular Activities	285,540	-	-	285,540
Gifts and Donations	15,192	100,000	-	115,192
Customer Sales and Services	57,486	-	-	57,486
Miscellaneous	6,440	-	-	6,440
<i>Total Revenues</i>	<u>10,841,235</u>	<u>785,728</u>	<u>5,109,543</u>	<u>16,736,506</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	2,336,062	137,650	-	2,473,712
Special	3,397,510	-	-	3,397,510
Support Services:				
Pupils	607,539	11,608	-	619,147
Instructional Staff	482,720	-	-	482,720
Administration	104,199	-	-	104,199
Fiscal	6,006	2,837	39,495	48,338
Operation and Maintenance of Plant	613,104	-	-	613,104
Pupil Transportation	94,356	183,454	-	277,810
Central	153,491	-	-	153,491
Operation of Non-Instructional Services	2,601,433	-	-	2,601,433
Extracurricular Activities	335,338	-	-	335,338
Capital Outlay	-	495,450	-	495,450
Debt Service:				
Principal	-	210,253	2,125,000	2,335,253
Interest	-	28,306	2,607,675	2,635,981
<i>Total Expenditures</i>	<u>10,731,758</u>	<u>1,069,558</u>	<u>4,772,170</u>	<u>16,573,486</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	<u>109,477</u>	<u>(283,830)</u>	<u>337,373</u>	<u>163,020</u>
OTHER FINANCING SOURCE:				
Transfers In	11,000	-	-	11,000
<i>Total Other Financing Sources</i>	<u>11,000</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
<i>Net Change in Fund Balances</i>	<u>120,477</u>	<u>(283,830)</u>	<u>337,373</u>	<u>174,020</u>
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>5,322,635</u>	<u>2,729,550</u>	<u>2,347,740</u>	<u>10,399,925</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,443,112</u>	<u>\$ 2,445,720</u>	<u>\$ 2,685,113</u>	<u>\$ 10,573,945</u>

Huber Heights City School District, Ohio

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

	Food Service Fund	Miscellaneous Special Trusts Fund	Miscellaneous Grants Fund	Educational Foundation Fund
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 995,135	\$ 260	\$ 1,256	\$ 2,342
Restricted: Cash and Cash Equivalents	-	-	-	25,924
Inventory Held for Resale	17,335	-	-	-
Materials and Supplies Inventory	8,590	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	227,469	-	-	-
Taxes Receivable	-	-	-	-
Total Assets	\$ 1,248,529	\$ 260	\$ 1,256	\$ 28,266
LIABILITIES:				
Accounts Payable	\$ 12,433	\$ -	\$ -	\$ 800
Accrued Wages and Benefits	31,523	-	-	-
Interfund Payable	-	-	-	-
Intergovernmental Payable	21,785	-	-	-
Matured Compensated Absences Payable	-	-	-	-
Total Liabilities	65,741	-	-	800
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES:				
Nonspendable:				
Materials and Supplies Inventory	8,590	-	-	-
Restricted:				
Food Service	1,174,198	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	-	-	-	-
Other Purposes	-	260	1,256	27,466
Unassigned (Deficit)	-	-	-	-
Total Fund Balances	1,182,788	260	1,256	27,466
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,248,529	\$ 260	\$ 1,256	\$ 28,266

(Continued)

Huber Heights City School District, Ohio

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

	Facilities Maintenance Fund	Student Managed Activities Fund	District Managed Student Activity Fund	Auxiliary Services Fund
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 4,302,504	\$ 117,090	\$ 31,262	\$ 36,258
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	10,159	-	-
Intergovernmental Receivable	-	-	-	-
Taxes Receivable	296,747	-	-	-
<i>Total Assets</i>	<u>\$ 4,599,251</u>	<u>\$ 127,249</u>	<u>\$ 31,262</u>	<u>\$ 36,258</u>
LIABILITIES:				
Accounts Payable	\$ 16,904	\$ 5,417	\$ 11,429	\$ 30,895
Accrued Wages and Benefits	-	-	-	17,600
Interfund Payable	-	-	-	-
Intergovernmental Payable	-	-	-	2,747
Matured Compensated Absences Payable	-	-	-	27,525
<i>Total Liabilities</i>	<u>16,904</u>	<u>5,417</u>	<u>11,429</u>	<u>78,767</u>
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance				
Current Year Operations	282,252	-	-	-
Unavailable Revenue	11,163	10,159	-	-
<i>Total Deferred Inflows of Resources</i>	<u>293,415</u>	<u>10,159</u>	<u>-</u>	<u>-</u>
FUND BALANCES:				
Nonspendable:				
Materials and Supplies Inventory	-	-	-	-
Restricted:				
Food Service	-	-	-	-
Facilities Maintenance	4,288,932	-	-	-
State and Federal Grant Programs	-	-	-	-
Other Purposes	-	111,673	19,833	-
Unassigned (Deficit)	-	-	-	(42,509)
<i>Total Fund Balances</i>	<u>4,288,932</u>	<u>111,673</u>	<u>19,833</u>	<u>(42,509)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 4,599,251</u>	<u>\$ 127,249</u>	<u>\$ 31,262</u>	<u>\$ 36,258</u>

(Continued)

Huber Heights City School District, Ohio

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

	Network Connectivity Grant Fund	Student Wellness and Success Grant Fund	Miscellaneous State Grants Fund	E&SSER Grant Fund
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 195,019	\$ 30,320	\$ 660,965
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	-	-	25,000	5,707
Taxes Receivable	-	-	-	-
<i>Total Assets</i>	<u>\$ -</u>	<u>\$ 195,019</u>	<u>\$ 55,320</u>	<u>\$ 666,672</u>
LIABILITIES:				
Accounts Payable	\$ -	\$ -	\$ 13,335	\$ 16,431
Accrued Wages and Benefits	-	-	-	-
Interfund Payable	-	-	-	692,000
Intergovernmental Payable	-	-	-	576
Matured Compensated Absences Payable	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>13,335</u>	<u>709,007</u>
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	-	-	25,000	5,707
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>5,707</u>
FUND BALANCES:				
Nonspendable:				
Materials and Supplies Inventory	-	-	-	-
Restricted:				
Food Service	-	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	-	195,019	16,985	-
Other Purposes	-	-	-	-
Unassigned (Deficit)	-	-	-	(48,042)
<i>Total Fund Balances</i>	<u>-</u>	<u>195,019</u>	<u>16,985</u>	<u>(48,042)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ -</u>	<u>\$ 195,019</u>	<u>\$ 55,320</u>	<u>\$ 666,672</u>

(Continued)

Huber Heights City School District, Ohio

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

	Coronavirus Relief Fund	Title VI-B Grant Fund	Supplemental School Improvement Grant Fund	Title III Grant Fund
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 4,987	\$ 1,293	\$ 9,713	\$ 85
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	-	223,326	34,375	14,370
Taxes Receivable	-	-	-	-
<i>Total Assets</i>	<u>\$ 4,987</u>	<u>\$ 224,619</u>	<u>\$ 44,088</u>	<u>\$ 14,455</u>
LIABILITIES:				
Accounts Payable	\$ -	\$ -	\$ 8,160	\$ -
Accrued Wages and Benefits	-	199,826	-	4,349
Interfund Payable	8,200	196,000	18,000	7,200
Intergovernmental Payable	-	35,102	-	-
Matured Compensated Absences Payable	-	-	-	-
<i>Total Liabilities</i>	<u>8,200</u>	<u>430,928</u>	<u>26,160</u>	<u>11,549</u>
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	-	59,876	17,928	5,083
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>59,876</u>	<u>17,928</u>	<u>5,083</u>
FUND BALANCES:				
Nonspendable:				
Materials and Supplies Inventory	-	-	-	-
Restricted:				
Food Service	-	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	-	-	-	-
Other Purposes	-	-	-	-
Unassigned (Deficit)	(3,213)	(266,185)	-	(2,177)
<i>Total Fund Balances</i>	<u>(3,213)</u>	<u>(266,185)</u>	<u>-</u>	<u>(2,177)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 4,987</u>	<u>\$ 224,619</u>	<u>\$ 44,088</u>	<u>\$ 14,455</u>

(Continued)

Huber Heights City School District, Ohio

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

	Title I Grant Fund	IDEA Preschool Grant Fund	Title II-A Grant Fund	Miscellaneous Federal Grants Fund
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 63,048	\$ 48	\$ 12,114	\$ 18,844
Restricted: Cash and Cash Equivalents	-	-	-	-
Inventory Held for Resale	-	-	-	-
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	571,010	8,056	197,215	41,710
Taxes Receivable	-	-	-	-
<i>Total Assets</i>	\$ 634,058	\$ 8,104	\$ 209,329	\$ 60,554
LIABILITIES:				
Accounts Payable	\$ 29,110	\$ -	\$ 5,632	\$ 2,942
Accrued Wages and Benefits	182,831	5,901	-	-
Interfund Payable	218,000	3,000	88,000	24,000
Intergovernmental Payable	63,886	-	3,238	308
Matured Compensated Absences Payable	-	-	-	-
<i>Total Liabilities</i>	493,827	8,901	96,870	27,250
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance				
Current Year Operations	-	-	-	-
Unavailable Revenue	231,917	2,156	62,718	27,380
<i>Total Deferred Inflows of Resources</i>	231,917	2,156	62,718	27,380
FUND BALANCES:				
Nonspendable:				
Materials and Supplies Inventory	-	-	-	-
Restricted:				
Food Service	-	-	-	-
Facilities Maintenance	-	-	-	-
State and Federal Grant Programs	-	-	49,741	5,924
Other Purposes	-	-	-	-
Unassigned (Deficit)	(91,686)	(2,953)	-	-
<i>Total Fund Balances</i>	(91,686)	(2,953)	49,741	5,924
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	\$ 634,058	\$ 8,104	\$ 209,329	\$ 60,554

(Continued)

Beavercreek City School District, Ohio

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

	Total Nonmajor Special Revenue Funds
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 6,482,543
Restricted: Cash and Cash Equivalents	25,924
Accounts Receivable	17,335
Accounts Receivable	8,590
Accounts Receivable	10,159
Intergovernmental Receivable	1,348,238
Taxes Receivable	296,747
<i>Total Assets</i>	<u>\$ 8,189,536</u>
LIABILITIES:	
Accounts Payable	\$ 153,488
Accrued Wages and Benefits	442,030
Interfund Payable	1,254,400
Intergovernmental Payable	127,642
Matured Compensated Absences Payable	27,525
<i>Total Liabilities</i>	<u>2,005,085</u>
DEFERRED INFLOWS OF RESOURCES:	
Property Taxes not Levied to Finance	
Current Year Operations	282,252
Unavailable Revenue	459,087
<i>Total Deferred Inflows of Resources</i>	<u>741,339</u>
FUND BALANCES:	
Nonspendable:	
Materials and Supplies Inventory	8,590
Restricted:	
Food Service	1,174,198
Student Activities	4,288,932
State and Federal Grant Programs	267,669
Other Purposes	160,488
Unassigned (Deficit)	(456,765)
<i>Total Fund Balances</i>	<u>5,443,112</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$ 8,189,536</u>

(Concluded)

Huber Heights City School District, Ohio

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

	Food Service Fund	Miscellaneous Special Trusts Fund	Miscellaneous Grants Fund	Educational Foundation Fund
REVENUES:				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,605,069	-	-	-
Interest	4	-	-	542
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	3,000	926
Customer Sales and Services	57,486	-	-	-
Miscellaneous	6,440	-	-	-
<i>Total Revenues</i>	<u>1,668,999</u>	<u>-</u>	<u>3,000</u>	<u>1,468</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	-	-	16	-
Special	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	2,998	-
Administration	-	-	-	-
Fiscal	-	-	-	689
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services	2,055,805	-	-	800
Extracurricular Activities	-	-	-	-
<i>Total Expenditures</i>	<u>2,055,805</u>	<u>-</u>	<u>3,014</u>	<u>1,489</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(386,806)	-	(14)	(21)
OTHER FINANCING SOURCE:				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	(386,806)	-	(14)	(21)
<i>Fund Balance (Deficit) at Beginning of Year</i>	1,569,594	260	1,270	27,487
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,182,788</u>	<u>\$ 260</u>	<u>\$ 1,256</u>	<u>\$ 27,466</u>

(Continued)

Huber Heights City School District, Ohio

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

	Facilities Maintenance Fund	Student Managed Activities Fund	District Managed Student Activity Fund	Auxiliary Services Fund
REVENUES:				
Property and Other Local Taxes	\$ 309,604	\$ -	\$ -	\$ -
Intergovernmental	195,644	-	-	386,726
Interest	-	-	-	-
Extracurricular Activities	-	68,783	216,757	-
Gifts and Donations	-	11,266	-	-
Customer Sales and Services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total Revenues</i>	<u>505,248</u>	<u>80,049</u>	<u>216,757</u>	<u>386,726</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Fiscal	5,317	-	-	-
Operation and Maintenance of Plant	247,464	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services	-	-	-	409,504
Extracurricular Activities	-	73,624	261,714	-
<i>Total Expenditures</i>	<u>252,781</u>	<u>73,624</u>	<u>261,714</u>	<u>409,504</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	252,467	6,425	(44,957)	(22,778)
OTHER FINANCING SOURCE:				
Transfers In	-	-	11,000	-
<i>Net Change in Fund Balances</i>	252,467	6,425	(33,957)	(22,778)
<i>Fund Balance (Deficit) at Beginning of Year</i>	4,036,465	105,248	53,790	(19,731)
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 4,288,932</u>	<u>\$ 111,673</u>	<u>\$ 19,833</u>	<u>\$ (42,509)</u>

(Continued)

Huber Heights City School District, Ohio

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

	Network Connectivity Grant Fund	Student Wellness and Success Grant Fund	Miscellaneous State Grants Fund	E&SSER Grant Fund
REVENUES:				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	12,600	1,520,532	84,682	1,243,265
Interest	-	-	-	-
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total Revenues</i>	<u>12,600</u>	<u>1,520,532</u>	<u>84,682</u>	<u>1,243,265</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	-	-	-	1,211,675
Special	-	810,123	-	54,591
Support Services:				
Pupils	-	409,226	-	-
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Fiscal	-	-	-	-
Operation and Maintenance of Plant	-	106,164	34,240	-
Pupil Transportation	-	-	55,181	-
Central	12,600	-	-	-
Operation of Non-Instructional Services	-	-	-	25,041
Extracurricular Activities	-	-	-	-
<i>Total Expenditures</i>	<u>12,600</u>	<u>1,325,513</u>	<u>89,421</u>	<u>1,291,307</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	-	195,019	(4,739)	(48,042)
OTHER FINANCING SOURCE:				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	-	195,019	(4,739)	(48,042)
<i>Fund Balance (Deficit) at Beginning of Year</i>	-	-	21,724	-
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ -</u>	<u>\$ 195,019</u>	<u>\$ 16,985</u>	<u>\$ (48,042)</u>

(Continued)

Huber Heights City School District, Ohio

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

	Coronavirus Relief Fund	Title VI-B Grant Fund	Supplemental School Improvement Grant Fund	Title III Grant Fund
REVENUES:				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,428,759	1,409,488	18,847	41,478
Interest	-	-	-	-
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total Revenues</i>	<u>1,428,759</u>	<u>1,409,488</u>	<u>18,847</u>	<u>41,478</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	990,997	-	4,652	-
Special	-	1,239,127	-	38,438
Support Services:				
Pupils	-	198,313	-	-
Instructional Staff	43,091	-	16,595	-
Administration	-	-	-	-
Fiscal	-	-	-	-
Operation and Maintenance of Plant	225,236	-	-	-
Pupil Transportation	31,757	-	-	-
Central	140,891	-	-	-
Operation of Non-Instructional Services	-	16,837	-	-
Extracurricular Activities	-	-	-	-
<i>Total Expenditures</i>	<u>1,431,972</u>	<u>1,454,277</u>	<u>21,247</u>	<u>38,438</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	(3,213)	(44,789)	(2,400)	3,040
OTHER FINANCING SOURCE:				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	(3,213)	(44,789)	(2,400)	3,040
<i>Fund Balance (Deficit) at Beginning of Year</i>	-	(221,396)	2,400	(5,217)
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (3,213)</u>	<u>\$ (266,185)</u>	<u>\$ -</u>	<u>\$ (2,177)</u>

(Continued)

Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-major Special Revenue Funds
 For the Fiscal Year Ended June 30, 2021
 (Continued)

	Title I Grant Fund	IDEA Preschool Grant Fund	Title II-A Grant Fund	Miscellaneous Federal Grants Fund
REVENUES:				
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,832,747	38,482	232,597	115,511
Interest	-	-	-	-
Extracurricular Activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer Sales and Services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total Revenues</i>	<u>1,832,747</u>	<u>38,482</u>	<u>232,597</u>	<u>115,511</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	29,251	-	-	99,471
Special	1,214,495	38,555	-	2,181
Support Services:				
Pupils	-	-	-	-
Instructional Staff	241,150	-	178,379	507
Administration	104,199	-	-	-
Fiscal	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	7,418	-	-	-
Central	-	-	-	-
Operation of Non-Instructional Services	81,414	-	5,127	6,905
Extracurricular Activities	-	-	-	-
<i>Total Expenditures</i>	<u>1,677,927</u>	<u>38,555</u>	<u>183,506</u>	<u>109,064</u>
<i>Excess (Deficiency) of Revenues Over Expenditures</i>	154,820	(73)	49,091	6,447
OTHER FINANCING SOURCE:				
Transfers In	-	-	-	-
<i>Net Change in Fund Balances</i>	154,820	(73)	49,091	6,447
<i>Fund Balance (Deficit) at Beginning of Year</i>	(246,506)	(2,880)	650	(523)
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (91,686)</u>	<u>\$ (2,953)</u>	<u>\$ 49,741</u>	<u>\$ 5,924</u>

(Continued)

Huber Heights City School District, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Non-major Special Revenue Funds
 For the Fiscal Year Ended June 30, 2021
 (Continued)

	Total Nonmajor Special Revenue Funds
REVENUES:	
Property and Other Local Taxes	\$ 309,604
Intergovernmental	10,166,427
Interest	546
Extracurricular Activities	285,540
Gifts and Donations	15,192
Customer Sales and Services	57,486
Miscellaneous	6,440
<i>Total Revenues</i>	<u>10,841,235</u>
EXPENDITURES:	
Current:	
Instruction:	
Regular	2,336,062
Special	3,397,510
Support Services:	
Pupils	607,539
Instructional Staff	482,720
Administration	104,199
Fiscal	6,006
Operation and Maintenance of Plant	613,104
Pupil Transportation	94,356
Central	153,491
Operation of Non-Instructional Services:	2,601,433
Extracurricular Activities:	335,338
<i>Total Expenditures</i>	<u>10,731,758</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	109,477
OTHER FINANCING SOURCE:	
Transfers In	11,000
<i>Net Change in Fund Balances</i>	<u>120,477</u>
<i>Fund Balance (Deficit) at Beginning of Year</i>	5,322,635
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,443,112</u>

(Concluded)

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Food Service Fund			
Total Revenues and Other Sources	\$ 2,979,500	\$ 1,387,068	\$ (1,592,432)
Total Expenditures and Other Uses	<u>3,469,407</u>	<u>2,085,223</u>	<u>1,384,184</u>
Net Change in Fund Balances	(489,907)	(698,155)	(208,248)
Fund Balance, July 1	1,521,514	1,521,514	-
Prior Year Encumbrances	<u>20,515</u>	<u>20,515</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,052,122</u>	<u>\$ 843,874</u>	<u>(208,248)</u>
Miscellaneous Special Trusts Fund			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>260</u>	<u>-</u>	<u>260</u>
Net Change in Fund Balances	(260)	-	260
Fund Balance, July 1	<u>260</u>	<u>260</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 260</u>	<u>\$ 260</u>
Miscellaneous Grants Fund			
Total Revenues and Other Sources	\$ 3,000	\$ 3,000	\$ -
Total Expenditures and Other Uses	<u>3,016</u>	<u>3,016</u>	<u>-</u>
Net Change in Fund Balances	(16)	(16)	-
Fund Balance, July 1	<u>1,271</u>	<u>1,271</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,255</u>	<u>\$ 1,255</u>	<u>\$ -</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Educational Foundation Fund			
Total Revenues and Other Sources	\$ -	\$ 1,468	\$ 1,468
Total Expenditures and Other Uses	<u>1,689</u>	<u>1,089</u>	<u>600</u>
Net Change in Fund Balances	(1,689)	379	2,068
Fund Balance, July 1	<u>27,487</u>	<u>27,487</u>	-
Fund Balance, June 30	<u>\$ 25,798</u>	<u>\$ 27,866</u>	<u>\$ 2,068</u>
Facilities Maintenance Fund			
Total Revenues and Other Sources	\$ 321,832	\$ 507,618	\$ 185,786
Total Expenditures and Other Uses	<u>334,671</u>	<u>305,126</u>	<u>29,545</u>
Net Change in Fund Balances	(12,839)	202,492	215,331
Fund Balance, July 1	4,018,592	4,018,592	-
Prior Year Encumbrances	<u>18,776</u>	<u>18,776</u>	-
Fund Balance, June 30	<u>\$ 4,024,529</u>	<u>\$ 4,239,860</u>	<u>\$ 215,331</u>
Student Managed Activities Fund			
Total Revenues and Other Sources	\$ 183,512	\$ 80,047	\$ (103,465)
Total Expenditures and Other Uses	<u>206,632</u>	<u>78,065</u>	<u>128,567</u>
Net Change in Fund Balances	(23,120)	1,982	25,102
Fund Balance, July 1	94,916	94,916	-
Prior Year Encumbrances	<u>11,419</u>	<u>11,419</u>	-
Fund Balance, June 30	<u>\$ 83,215</u>	<u>\$ 108,317</u>	<u>\$ 25,102</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
District Managed Student Activity Fund			
Total Revenues and Other Sources	\$ 330,500	\$ 227,757	\$ (102,743)
Total Expenditures and Other Uses	<u>394,303</u>	<u>282,023</u>	<u>112,280</u>
Net Change in Fund Balances	(63,803)	(54,266)	9,537
Fund Balance, July 1	59,075	59,075	-
Prior Year Encumbrances	<u>9,122</u>	<u>9,122</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4,394</u>	<u>\$ 13,931</u>	<u>\$ 9,537</u>
Auxiliary Services Fund			
Total Revenues and Other Sources	\$ 386,726	\$ 386,726	\$ -
Total Expenditures and Other Uses	<u>394,615</u>	<u>372,273</u>	<u>22,342</u>
Net Change in Fund Balances	(7,889)	14,453	22,342
Fund Balance, July 1	6,716	6,716	-
Prior Year Encumbrances	<u>1,173</u>	<u>1,173</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 22,342</u>	<u>\$ 22,342</u>
Network Connectivity Grant Fund			
Total Revenues and Other Sources	\$ 12,600	\$ 12,600	\$ -
Total Expenditures and Other Uses	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	Final Budget	Actual	Variance with Final Budget
Student Wellness and Success Grant			
Total Revenues and Other Sources	\$ 1,520,532	\$ 1,520,532	\$ -
Total Expenditures and Other Uses	1,520,532	1,566,458	(45,926)
Net Change in Fund Balances	-	(45,926)	(45,926)
Fund Balance, July 1	234,999	234,999	-
Fund Balance, June 30	<u>\$ 234,999</u>	<u>\$ 189,073</u>	<u>\$ (45,926)</u>
Miscellaneous State Grants Fund			
Total Revenues and Other Sources	\$ 126,873	\$ 84,681	\$ (42,192)
Total Expenditures and Other Uses	205,460	146,284	59,176
Net Change in Fund Balances	(78,587)	(61,603)	16,984
Fund Balance, July 1	827	827	-
Prior Year Encumbrances Appropriated	77,760	77,760	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 16,984</u>	<u>\$ 16,984</u>
Elementary & Secondary School Emergency Relief Grant			
Total Revenues and Other Sources	\$ 6,426,624	\$ 1,935,265	\$ (4,491,359)
Total Expenditures and Other Uses	6,826,624	2,111,470	4,715,154
Net Change in Fund Balances	(400,000)	(176,205)	223,795
Fund Balance, July 1	250	250	-
Prior Year Encumbrances Appropriated	399,750	399,750	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 223,795</u>	<u>\$ 223,795</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	Final Budget	Actual	Variance with Final Budget
Coronavirus Relief Fund			
Total Revenues and Other Sources	\$ 1,436,881	\$ 1,436,960	\$ 79
Total Expenditures and Other Uses	<u>1,436,881</u>	<u>1,431,972</u>	<u>4,909</u>
Net Change in Fund Balances	-	4,988	4,988
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 4,988</u>	<u>\$ 4,988</u>
Title IV-B Grant Fund			
Total Revenues and Other Sources	\$ 1,524,445	\$ 1,497,120	\$ (27,325)
Total Expenditures and Other Uses	<u>1,469,373</u>	<u>1,574,902</u>	<u>(105,529)</u>
Net Change in Fund Balances	55,072	(77,782)	(132,854)
Fund Balance, July 1	<u>79,078</u>	<u>79,078</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 134,150</u>	<u>\$ 1,296</u>	<u>\$ (132,854)</u>
Supplemental School Improvement Grant Fund			
Total Revenues and Other Sources	\$ 41,575	\$ 25,200	\$ (16,375)
Total Expenditures and Other Uses	<u>39,175</u>	<u>27,340</u>	<u>11,835</u>
Net Change in Fund Balances	2,400	(2,140)	(4,540)
Fund Balance, July 1	200	200	-
Prior Year Encumbrances Appropriated	<u>2,400</u>	<u>2,400</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 5,000</u>	<u>\$ 460</u>	<u>\$ (4,540)</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Title III Grant Fund			
Total Revenues and Other Sources	\$ 54,037	\$ 41,929	\$ (12,108)
Total Expenditures and Other Uses	<u>50,820</u>	<u>42,125</u>	<u>8,695</u>
Net Change in Fund Balances	3,217	(196)	(3,413)
Fund Balance, July 1	276	276	-
Prior Year Encumbrances	<u>7</u>	<u>7</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3,500</u>	<u>\$ 87</u>	<u>\$ (3,413)</u>
Title I Grant Fund			
Total Revenues and Other Sources	\$ 2,771,930	\$ 1,848,513	\$ (923,417)
Total Expenditures and Other Uses	<u>2,640,996</u>	<u>1,877,560</u>	<u>763,436</u>
Net Change in Fund Balances	130,934	(29,047)	(159,981)
Fund Balance, July 1	3,341	3,341	-
Prior Year Encumbrances	<u>26,725</u>	<u>26,725</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 161,000</u>	<u>\$ 1,019</u>	<u>\$ (159,981)</u>
IDEA Preschool Grant Fund			
Total Revenues and Other Sources	\$ 46,484	\$ 41,339	\$ (5,145)
Total Expenditures and Other Uses	<u>43,606</u>	<u>41,411</u>	<u>2,195</u>
Net Change in Fund Balances	2,878	(72)	(2,950)
Fund Balance, July 1	120	120	-
Prior Year Encumbrances	<u>2</u>	<u>2</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3,000</u>	<u>\$ 50</u>	<u>\$ (2,950)</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Title II-A Grant Fund			
Total Revenues and Other Sources	\$ 297,031	\$ 235,949	\$ (61,082)
Total Expenditures and Other Uses	<u>252,413</u>	<u>250,173</u>	<u>2,240</u>
Net Change in Fund Balances	44,618	(14,224)	(58,842)
Fund Balance, July 1	677	677	-
Prior Year Encumbrances	<u>12,705</u>	<u>12,705</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 58,000</u>	<u>\$ (842)</u>	<u>\$ (58,842)</u>
Miscellaneous Federal Grants Fund			
Total Revenues and Other Sources	\$ 151,132	\$ 133,293	\$ (17,839)
Total Expenditures and Other Uses	<u>170,652</u>	<u>172,571</u>	<u>(1,919)</u>
Net Change in Fund Balances	(19,520)	(39,278)	(19,758)
Fund Balance, July 1	2,304	2,304	-
Prior Year Encumbrances Appropriated	<u>37,176</u>	<u>37,176</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 19,960</u>	<u>\$ 202</u>	<u>\$ (19,758)</u>
Uniform School Supply Fund			
Total Revenues and Other Sources	\$ 364,500	\$ 249,211	\$ (115,289)
Total Expenditures and Other Uses	<u>316,907</u>	<u>246,553</u>	<u>70,354</u>
Net Change in Fund Balances	47,593	2,658	(44,935)
Fund Balance, July 1	3,917	3,917	-
Prior Year Encumbrances Appropriated	<u>27,407</u>	<u>27,407</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 78,917</u>	<u>\$ 33,982</u>	<u>\$ (44,935)</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	Final Budget	Actual	Variance with Final Budget
Public School Support Fund			
Total Revenues and Other Sources	\$ 78,620	\$ 59,182	\$ (19,438)
Total Expenditures and Other Uses	115,323	72,693	42,630
Net Change in Fund Balances	(36,703)	(13,511)	23,192
Fund Balance, July 1	194,924	194,924	-
Prior Year Encumbrances	1,165	1,165	-
Fund Balance, June 30	<u>\$ 159,386</u>	<u>\$ 182,578</u>	<u>\$ 23,192</u>
Underground Storage Tank Fund			
Total Revenues and Other Sources	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	11,000	11,000	-
Fund Balance, June 30	<u>\$ 11,000</u>	<u>\$ 11,000</u>	<u>\$ -</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Bond Retirement Fund			
Total Revenues and Other Sources	\$ 4,419,978	\$ 5,138,686	\$ 718,708
Total Expenditures and Other Uses	<u>4,947,675</u>	<u>4,772,170</u>	<u>175,505</u>
Net Change in Fund Balances	(527,697)	366,516	894,213
Fund Balance, July 1	<u>2,269,108</u>	<u>2,269,108</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,741,411</u>	<u>\$ 2,635,624</u>	<u>\$ 894,213</u>

Huber Heights City School District, Ohio

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Capital Project Fund
For the Fiscal Year Ended June 30, 2021*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Permanent Improvement Fund			
Total Revenues and Other Sources	\$ 743,664	\$ 790,467	\$ 46,803
Total Expenditures and Other Uses	<u>1,516,602</u>	<u>1,165,609</u>	<u>350,993</u>
Net Change in Fund Balances	(772,938)	(375,142)	397,796
Fund Balance, July 1	2,582,616	2,582,616	-
Prior Year Encumbrances	<u>141,334</u>	<u>141,334</u>	<u>-</u>
Fund Balance, June 30	<u><u>1,951,012</u></u>	<u><u>2,348,808</u></u>	<u><u>\$ 397,796</u></u>

Huber Heights City School District, Ohio

Fiduciary Funds

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

Private Purpose Trust Fund

Memorial Scholarship Fund

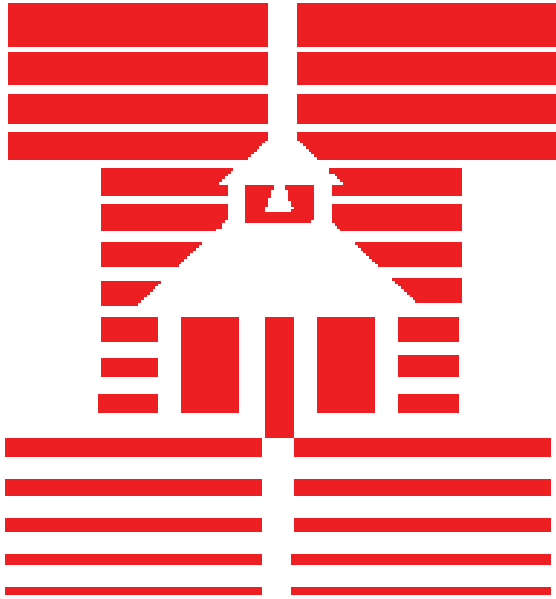
The funds in this account will be expended on scholarships, as directed by these outside entities, to District student recipients. As this is the District's only private purpose trust fund, no combining statements are included for this fund type.

Custodial Fund

OHSAA Tournaments Clearing Fund

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

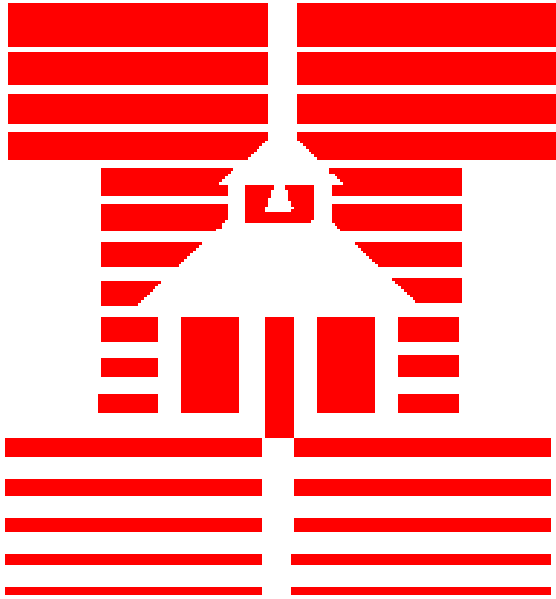
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HUBER HEIGHTS
CITY SCHOOLS

STATISTICAL SECTION

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HUBER HEIGHTS
CITY SCHOOLS

Statistical Section

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

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

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HUBER HEIGHTS

CITY SCHOOLS

Huber Heights City School District, Ohio

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

	2021	2020	2019 (3)	2018	2017 (2)	2016	2015	2014 (1)	2013	2012
Governmental Activities										
Net investment in capital assets	\$ 87,059,684	\$ 85,874,011	\$ 85,153,654	\$ 83,873,451	\$ 81,873,973	\$ 80,085,765	\$ 96,415,602	\$ 95,872,373	\$ 93,086,282	\$ 98,446,254
Restricted	11,113,385	11,492,514	11,183,383	11,877,760	13,919,709	16,307,114	8,540,666	7,750,205	7,329,180	7,336,663
Unrestricted	(18,466,184)	(15,502,687)	(15,349,654)	(30,070,681)	(68,793,700)	(56,590,749)	(64,860,304)	(75,188,611)	890,666	4,576,113
Total governmental activities net position	\$ 79,706,885	\$ 81,863,838	\$ 80,987,383	\$ 65,680,530	\$ 26,999,982	\$ 39,802,130	\$ 40,095,964	\$ 28,433,967	\$ 101,306,128	\$ 110,359,030

Source: School District records.

Note:

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

Huber Heights City School District, Ohio

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

	2021	2020	2019 (5)	2018	2017	2016	2015 (1)	2014	2013	2012
Governmental Activities:										
Expenses										
Instruction:										
Regular	\$ 37,880,712	\$ 33,058,102	\$ 24,440,731	\$ 12,698,471	\$ 30,394,660	\$ 28,017,469	\$ 42,401,840	\$ 42,838,352	\$ 45,300,456	\$ 47,354,009
Special	17,063,135	16,113,383	12,491,925	7,263,143	12,256,483	10,638,756	-	-	-	-
Vocational	9,057	13,035	5,760	14,760	11,580	12,888	-	-	-	-
Other	4,408,752	4,268,397	4,571,477	5,261,617	5,555,932	5,419,413	-	-	-	-
Support Services:										
Pupils	5,735,630	5,520,651	4,235,560	2,886,393	4,176,152	3,083,706	2,404,768	2,170,440	2,790,357	3,155,439
Instructional Staff	1,958,659	2,230,946	1,775,083	669,015	1,580,488	1,642,183	642,473	352,237	4,031,821	4,569,897
Board of Education	16,915	15,512	15,582	4,726	15,365	17,940	13,675	24,331	25,428	23,102
Administration	5,779,977	5,005,524	3,512,261	1,725,995	3,789,553	3,438,575	3,337,574	3,471,293	3,876,862	4,450,211
Fiscal	1,482,260	1,482,636	1,409,136	814,694	1,106,451	1,114,353	1,091,840	1,065,108	1,022,716	1,154,632
Business	415,607	545,296	508,121	366,349	196,293	355,076	226,833	368,708	348,034	444,065
Operation and Maintenance of Plant	5,146,606	5,537,442	5,157,374	4,067,874	5,286,005	5,582,379	4,227,251	4,206,335	4,488,435	5,307,193
Pupil Transportation	2,786,060	3,427,680	3,262,377	1,638,383	2,884,269	2,535,033	2,708,714	2,670,840	2,979,631	3,636,672
Central	1,612,401	1,582,468	1,126,336	327,055	671,137	456,052	275,878	249,202	481,344	478,556
Operation of Non-Instructional Services	2,754,538	3,048,704	3,080,867	2,171,923	2,911,202	2,567,330	2,537,432	2,480,364	2,590,892	2,782,972
Extracurricular Activities	1,166,438	1,178,762	1,063,355	374,013	925,456	824,028	966,849	876,871	879,185	1,025,995
Interest and Fiscal Charges	2,706,177	2,831,105	2,951,896	2,997,038	3,199,761	2,719,784	3,691,669	3,725,822	3,769,233	3,792,122
Intergovernmental	-	-	-	-	-	6,274,737	-	-	-	-
Total Expenses (4)	90,622,924	85,859,643	69,607,841	43,281,449	74,960,787	74,699,702	64,526,796	64,499,903	72,584,394	78,174,865
Program Revenues										
Charges for Services:										
Regular Instruction	487,436	2,175,837	1,085,396	872,782	625,760	867,781	702,721	1,081,819	543,871	805,022
Special Instruction	451,766	-	276,106	300,842	126,629	116,081	-	-	-	-
Administration	-	593	-	-	-	-	-	-	-	-
Pupil Transportation	7,316	-	39,869	18,132	25,436	32,547	-	-	-	-
Operation of Non-Instructional Services	57,486	319,493	835,609	671,035	749,293	830,796	798,794	838,665	932,931	1,055,513
Extracurricular Activities	455,277	449,904	674,370	550,681	571,141	674,084	915,852	833,785	711,324	856,352
Operating Grants and Contributions	9,974,992	8,284,924	11,292,775	10,232,843	9,590,462	9,354,508	6,434,134	5,696,844	5,371,149	4,759,477
Capital Grants and Contributions	-	-	-	-	-	-	24,320	255,718	692,995	-
Total Program Revenues	\$ 11,434,273	\$ 11,230,751	\$ 14,204,125	\$ 12,646,315	\$ 11,688,721	\$ 11,875,797	\$ 8,875,821	\$ 8,706,831	\$ 8,252,270	\$ 7,476,364
Net Expense	\$ (79,188,651)	\$ (74,628,892)	\$ (55,403,716)	\$ (30,635,134)	\$ (63,272,066)	\$ (62,823,905)	\$ (55,650,975)	\$ (55,793,072)	\$ (64,332,124)	\$ (70,698,501)

Huber Heights City School District, Ohio

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

	2021	2020	2019	2018	2017	2016	2015 (1)	2014	2013	2012
General Revenues and Other Changes in Net Position:										
Grants and Entitlements not Restricted to Specific Programs	41,485,167	40,783,534	37,588,230	36,760,572	36,200,820	35,406,709	35,427,067	33,037,512	31,130,261	31,740,517
Payments in Lieu of Taxes	-	-	-	1,359,877	1,155,507	-	-	-	-	-
Investment Earnings	126,356	1,736,974	1,770,364	609,012	184,513	316,174	77,635	72,335	63,442	255,043
Miscellaneous	2,581,414	1,540,567	1,046,323	354,314	678,562	368,572	367,259	451,861	755,989	530,231
Property Taxes	32,838,761	31,444,272	30,216,708	30,231,907	31,924,250	30,162,564	31,441,011	31,532,435	30,293,566	31,667,438
Total General Revenues	77,031,698	75,505,347	70,621,625	69,315,682	70,143,652	66,254,019	67,312,972	65,094,143	62,243,258	64,193,229
Special Items:										
Loss on Disposal of Capital Asset	-	-	-	-	-	-	-	-	(6,964,036)	-
Change in Net Position	(2,156,953)	876,455	15,217,909	38,680,548	6,871,586	3,430,114	11,661,997	9,301,071	(9,052,902)	(6,505,272)
Net Position Beginning of Year	81,863,838	80,987,383	65,680,530	26,999,982	39,802,130	40,095,964	28,433,967	101,306,128	110,359,030	116,864,302
Restatement to Implement GASB 68 (2)	-	-	-	-	-	-	-	(82,173,232)	-	-
Restatement for Correction of Error	-	-	-	-	-	(3,723,948)	-	-	-	-
Restatement to Implement GASB 75 (3)	-	-	-	-	(19,673,734)	-	-	-	-	-
Restatement to Implement GASB 84 (5)	-	-	-	88,944	-	-	-	-	-	-
Net Position End of Year	\$ 79,706,885	\$ 81,863,838	\$ 80,987,383	\$ 65,680,530	\$ 26,999,982	\$ 39,802,130	\$ 40,095,964	\$ 28,433,967	\$ 101,306,128	\$ 110,359,030

Source: School District records.

Note:

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

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HUBER HEIGHTS

CITY SCHOOLS

Huber Heights City School District, Ohio

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

	2021	2020	2019 (2)	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 76,039	\$ 71,190	\$ 146,860	\$ 184,794	\$ 285,716	\$ 225,134	\$ 300,744	\$ 187,519	\$ 298,156	\$ 290,757
Committed	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Assigned	3,913,988	9,639,713	997,731	608,790	752,662	967,355	2,029,229	2,945,882	912,024	665,515
Unassigned	52,065,938	43,853,072	48,025,554	41,226,535	33,546,679	23,145,007	15,140,981	4,704,163	346,897	4,777,645
Total General Fund	\$ 56,066,965	\$ 53,574,975	\$ 49,181,145	\$ 42,031,119	\$ 34,596,057	\$ 24,348,496	\$ 17,481,954	\$ 7,848,564	\$ 1,568,077	\$ 5,744,917
All Other Governmental Funds										
Nonspendable	\$ 8,590	\$ 12,456	\$ -	\$ 10,119	\$ 11,027	\$ 6,175	\$ 20,519	\$ 14,677	\$ 16,433	\$ 14,083
Restricted (1)	11,022,120	10,883,722	11,137,595	11,909,966	14,035,005	16,340,265	24,002,955	23,704,649	24,378,420	45,073,912
Unassigned	(456,765)	(496,253)	(221,934)	(198,649)	(208,289)	(187,746)	(145,928)	(89,229)	(558,413)	(390,113)
Total All Other Governmental Funds	\$ 10,573,945	\$ 10,399,925	\$ 10,915,661	\$ 11,721,436	\$ 13,837,743	\$ 16,158,694	\$ 23,877,546	\$ 23,630,097	\$ 23,836,440	\$ 44,697,882
Total Governmental Funds	\$ 66,640,910	\$ 63,974,900	\$ 60,096,806	\$ 53,752,555	\$ 48,433,800	\$ 40,507,190	\$ 41,359,500	\$ 31,478,661	\$ 25,404,517	\$ 50,442,799

Source: School District records.

Notes:

(1) - The significantly higher amounts reported for restricted/reserved fund balance in fiscal years 2012 to 2016 relate to the District's participation in the School Facilities project to construct new school facilities within the District.

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

Huber Heights City School District, Ohio

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
REVENUES:										
Property and Other Local Taxes	\$ 32,081,761	\$ 31,522,568	\$ 30,491,403	\$ 30,178,117	\$ 32,185,263	\$ 29,914,946	\$ 31,481,557	\$ 31,643,528	\$ 30,662,941	\$ 32,184,555
Payment in Lieu of Taxes	675,357	772,953	890,249	1,359,877	1,155,507	-	-	-	-	-
Intergovernmental	52,206,344	47,959,683	49,019,437	46,933,149	45,753,198	44,274,437	41,885,521	39,642,524	36,976,064	38,881,356
Interest	126,356	1,736,974	1,782,457	624,906	174,249	303,440	77,635	72,335	63,442	255,043
Tuition and Fees	1,232,171	1,260,564	948,618	1,098,201	662,628	819,185	702,721	1,081,819	543,871	805,022
Rent	75,777	95,056	129,537	-	-	-	-	-	-	-
Extracurricular Activities	504,300	557,830	607,117	641,889	684,855	831,308	915,852	833,785	711,324	856,352
Gifts and Donations	115,792	129,234	107,016	-	-	-	-	-	-	-
Customer Sales and Services	57,486	501,109	656,207	671,035	749,293	830,796	798,794	838,665	932,931	1,055,513
Miscellaneous	1,883,634	755,022	67,395	367,953	662,791	409,072	367,259	451,861	755,989	530,231
Total Revenues	88,958,978	85,290,993	84,699,436	81,875,127	82,027,784	77,383,184	76,229,339	74,564,517	70,646,562	74,568,072
EXPENDITURES:										
Current:										
Instruction:										
Regular	33,231,814	29,541,280	27,306,213	26,648,171	27,661,336	26,408,268	42,363,522	42,502,451	45,218,624	46,636,060
Special	15,929,781	14,988,169	14,143,289	13,308,568	11,762,847	10,797,492	-	-	-	-
Vocational	9,057	13,035	5,760	14,760	11,580	12,888	-	-	-	-
Other	4,397,855	4,251,494	4,608,668	5,368,601	5,553,889	5,419,853	-	-	-	-
Support Services:										
Pupils	5,332,423	5,215,323	4,708,889	4,531,335	4,046,932	3,178,376	2,475,089	2,435,104	2,748,283	3,120,453
Instructional Staff	1,831,954	1,961,059	2,002,822	1,693,001	1,488,754	1,657,882	659,050	366,123	4,062,989	4,547,670
Board of Education	16,915	15,512	15,582	14,151	14,364	15,919	13,675	24,331	25,428	23,102
Administration	5,272,524	4,448,813	4,091,590	3,827,889	3,637,352	3,762,836	3,338,551	3,658,277	3,726,274	4,321,587
Fiscal	1,103,391	1,319,573	1,382,538	1,101,294	1,056,825	1,128,338	1,112,608	1,064,722	1,058,392	1,149,054
Business	374,882	518,450	526,307	461,140	188,684	344,887	233,964	363,297	356,732	452,515
Operation and Maintenance of Plant	4,971,127	5,117,644	5,332,406	4,829,818	5,122,202	5,685,229	4,338,709	4,448,964	4,438,431	5,169,301
Pupil Transportation	3,095,191	3,360,222	3,441,529	2,961,968	2,748,168	2,942,617	2,498,185	2,883,636	2,746,358	3,376,988
Central	1,524,064	1,463,131	1,144,958	547,345	651,045	458,135	280,511	250,228	469,094	509,338
Operation of Non-Instructional Services	2,601,933	3,000,755	3,076,278	3,085,064	2,888,975	2,604,193	2,509,166	2,477,584	2,588,706	2,789,036
Extracurricular Activities	1,133,373	1,150,475	996,631	910,054	880,872	879,226	962,590	872,124	856,260	1,011,499
Capital Outlay	495,450	-	619,753	2,655,461	263,203	56,121	744,514	2,164,343	22,450,724	51,171,299
Intergovernmental	-	-	-	-	-	6,274,737	-	-	-	-
Debt Service:										
Principal	2,335,253	3,095,116	2,270,201	2,026,085	3,497,556	4,363,299	1,242,312	1,231,704	1,175,988	1,117,528
Interest and Fiscal Charges	2,635,981	2,765,440	2,879,747	2,943,334	3,121,973	2,192,889	3,695,121	3,723,193	3,781,670	3,794,879
Issuance Costs	-	-	-	-	-	586,174	-	-	-	-
Total Expenditures	86,292,968	82,225,491	78,553,161	76,928,039	74,596,557	78,769,359	66,467,567	68,472,081	95,703,953	129,190,309
Excess of Revenues Over (Under) Expenditures	2,666,010	3,065,502	6,146,275	4,947,088	7,431,227	(1,386,175)	9,761,772	6,092,436	(25,057,391)	(54,622,237)

Huber Heights City School District, Ohio

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
OTHER FINANCING SOURCES AND USES:										
Transfers In	11,000	100,000	-	-	-	8,940,707	2,982	32,467	-	218,705
Inception of Capital Lease	-	800,000	-	373,998	421,965	-	-	94,101	-	-
Refunding Bonds Issued	-	-	-	-	-	65,840,000	-	-	-	-
Premium on Bonds/Notes Issued	-	-	-	-	-	8,448,512	-	-	9,360	-
Proceeds from Sale of Capital Assets	-	-	3,200	27,083	60,804	17,548	-	-	-	40,766
Insurance Recoveries	-	12,592	85,479	-	-	-	-	-	-	-
Transfers Out	(11,000)	(100,000)	-	-	-	(8,940,707)	(2,982)	(32,467)	-	(218,705)
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	(73,701,363)	-	-	-	-
<i>Total Other Financing Sources and Uses</i>	-	812,592	88,679	401,081	482,769	604,697	-	94,101	9,360	40,766
<i>Net Change in Fund Balances</i>	\$ 2,666,010	\$ 3,878,094	\$ 6,234,954	\$ 5,348,169	\$ 7,913,996	\$ (781,478)	\$ 9,761,772	\$ 6,186,537	\$ (25,048,031)	\$ (54,581,471)
Debt Service as a percentage of noncapital expenditures	5.84%	7.16%	6.67%	6.70%	8.94%	8.43%	7.54%	7.72%	6.79%	6.30%

Source: School District records.

Huber Heights City School District, Ohio

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

Collection Year	Real Property		Public Utilities Personal		Total		Total Direct Tax Rate
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
2021	\$ 820,354,500	\$ 2,343,870,000	\$ 17,020,230	\$ 48,629,229	\$ 837,374,730	\$ 2,392,499,229	65.75
2020	\$ 699,039,560	\$ 1,997,255,886	\$ 16,746,280	\$ 47,846,514	\$ 715,785,840	\$ 2,045,102,400	66.25
2019	\$ 693,739,590	\$ 1,982,113,114	\$ 15,588,700	\$ 44,539,143	\$ 709,328,290	\$ 2,026,652,257	66.25
2018	\$ 689,676,300	\$ 1,970,503,714	\$ 14,782,560	\$ 42,235,886	\$ 704,458,860	\$ 2,012,739,600	66.25
2017	\$ 663,340,920	\$ 1,895,259,771	\$ 14,257,010	\$ 40,734,314	\$ 677,597,930	\$ 1,935,994,086	66.74
2016	\$ 655,270,550	\$ 1,872,201,571	\$ 13,366,010	\$ 38,188,600	\$ 668,636,560	\$ 1,910,390,171	66.74
2015	\$ 652,501,790	\$ 1,864,290,829	\$ 13,112,450	\$ 37,464,143	\$ 665,614,240	\$ 1,901,754,971	66.74
2014	\$ 690,287,910	\$ 1,972,251,171	\$ 12,694,120	\$ 36,268,914	\$ 702,982,030	\$ 2,008,520,086	66.74
2013	\$ 692,819,000	\$ 1,979,482,857	\$ 11,502,890	\$ 32,865,400	\$ 704,321,890	\$ 2,012,348,257	66.74
2012	\$ 696,246,390	\$ 1,989,275,400	\$ 10,804,640	\$ 30,870,400	\$ 707,051,030	\$ 2,020,145,800	69.25

Source: Montgomery County Auditor's Office

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

Huber Heights City School District, Ohio

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

Collection Year /Tax Year	School District Rates							Total	City of Huber Heights	Miami Valley Career Technology Center	Dayton Metro Library	Montgomery County
	Operating	Debt Service	Permanent Improvement	Facilities Maintenance								
2021/2020	58.25	6.00	1.00	0.50			65.75	11.29	3.96	3.15	23.14	
2020/2019	58.25	6.50	1.00	0.50			66.25	11.29	4.01	3.15	23.14	
2019/2018	58.25	6.50	1.00	0.50			66.25	11.29	4.01	3.31	23.14	
2018/2017	(1)	(1)	(1)	(1)			66.25	11.59	4.01	3.31	22.94	
2017/2016	(1)	(1)	(1)	(1)			66.74	11.59	2.58	3.31	22.94	
2016/2015	(1)	(1)	(1)	(1)			66.74	11.29	2.58	3.31	22.94	
2015/2014	(1)	(1)	(1)	(1)			66.74	11.29	2.58	3.31	21.94	
2014/2013	(1)	(1)	(1)	(1)			66.74	11.29	2.58	3.31	20.94	
2013/2012	(1)	(1)	(1)	(1)			66.74	11.29	2.58	3.31	20.94	
2012/2011	(1)	(1)	(1)	(1)			69.25	11.29	2.58	1.75	20.94	

Source: Montgomery County Auditor's Office

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

Huber Heights City School District, Ohio

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

Name of Taxpayer	Calendar Year 2020			Calendar Year 2012 (1)		
	Total Assessed Valuation	Rank	Percent of Total Assessed Value	Total Assessed Valuation	Rank	Percent of Total Assessed Value
NREA VB V LLC	\$ 38,225,320	1	4.56%			
Dayton Power and Light Co.	\$ 13,858,470	2	1.65%	\$ 10,478,000	2	1.49%
ARC NPHUBOH001 LLC	\$ 10,889,200	3	1.30%			
Superior Hotels LLC	\$ 5,279,140	4	0.63%			
PMAT North Heights LLC	\$ 4,356,030	5	0.52%			
Waynetowne Investments J LLC	\$ 3,446,430	6	0.41%			
Vectren Energy Delivery of Ohio	\$ 3,174,380	7	0.38%			
ABF Freight System Inc.	\$ 3,069,730	8	0.37%	\$ 3,096,380	8	0.44%
Miami Valley Hospital	\$ 2,862,620	9	0.34%	\$ 3,366,670	6	0.48%
EPT Neneteen Inc.	\$ 2,280,270	10	0.27%	\$ 2,857,340	9	0.41%
Huber Investment Corp				\$ 22,834,390	1	3.24%
Kir Huber Heights LP				\$ 7,411,590	3	1.05%
TJH LLC				\$ 5,345,140	4	0.76%
Huber Management Corp				\$ 4,868,280	5	0.69%
CDC - Lindbergh Subsidiary LLC				\$ 3,346,320	7	0.48%
Good Samaritan Hospital				\$ 2,094,350	10	0.30%
SubTotal	\$ 87,441,590		10.43%	\$ 65,698,460		9.34%
All Other Taxpayers	\$ 749,933,140		89.57%	\$ 638,623,430		90.66%
Total Assessed Valuation	\$ 837,374,730		100.00%	\$ 704,321,890		100.00%

Source: Montgomery County Auditor's Office

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

(1) - Calendar year 2012 is the latest information available. The District will continue to add years until the 10-year trend is presented.

Huber Heights City School District, Ohio

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

Collection Year	Current Year Tax Levies			Delinquent Taxes and Other Adjustments (1)			Total Amounts Levied and Collected		
	Taxes Levied	Amount Collected	Percent Collected	Amount Levied	Amount Collected	Percent Collected	Levied	Collected	Percent Collected
2021	\$ 37,843,340	\$ 36,795,234	97.23%	\$ 1,281,228	\$ 555,747	43.38%	\$ 39,124,568	\$ 37,350,981	95.47%
2020	\$ 36,206,678	\$ 35,660,525	98.49%	\$ 592,595	\$ 744,294	125.60%	\$ 36,799,273	\$ 36,404,819	98.93%
2019	\$ 35,998,580	\$ 35,457,925	98.50%	\$ 756,651	\$ 1,217,938	160.96%	\$ 36,755,231	\$ 36,675,863	99.78%
2018	\$ 35,776,153	\$ 34,664,653	96.89%	\$ 810,557	\$ 750,114	92.54%	\$ 36,586,710	\$ 35,414,767	96.80%
2017	\$ 35,695,276	\$ 34,809,812	97.52%	\$ 756,767	\$ 618,575	81.74%	\$ 36,452,043	\$ 35,428,387	97.19%
2016	\$ 35,420,116	\$ 34,774,000	98.18%	\$ 1,017,780	\$ 1,103,118	108.38%	\$ 36,437,896	\$ 35,877,118	98.46%
2015	\$ 35,343,548	\$ 34,420,341	97.39%	\$ 1,123,624	\$ 1,112,432	99.00%	\$ 36,467,172	\$ 35,532,773	97.44%
2014	\$ 36,135,522	\$ 35,055,378	97.01%	\$ 1,105,343	\$ 610,879	55.27%	\$ 37,240,865	\$ 35,666,257	95.77%
2013	\$ 36,029,106	\$ 35,104,618	97.43%	\$ 1,060,741	\$ 656,688	61.91%	\$ 37,089,847	\$ 35,761,306	96.42%
2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Montgomery County Auditor's Office

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

Huber Heights City School District, Ohio

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

Fiscal Year	General Obligation Bonds (1)	Certificates of Participation	Capital Leases	Energy Conservation Notes	Total Governmental Activities	Percentage Average Personal Income			Per Capita General Obligation	Enrollment General Obligation (2)	Per Capita Other
						Governmental Activities (2)	Total Governmental Activities (2)	Governmental Activities (2)			
2021	\$ 68,045,184	\$ -	\$ 835,582	\$ -	\$ 68,880,766	6.15%	\$ 1,701	\$ 12,173	\$ 21		
2020	\$ 70,652,171	\$ - (3)	\$ 1,045,835	\$ -	\$ 71,698,006	6.45%	\$ 1,766	\$ 11,684	\$ 26		
2019	\$ 73,189,158	\$ 885,000	\$ 400,951	\$ -	\$ 74,475,109	7.22%	\$ 1,833	\$ 12,188	\$ 32		
2018	\$ 75,651,145	\$ 1,000,000	\$ 576,152	\$ -	\$ 77,227,297	7.85%	\$ 1,986	\$ 12,734	\$ 41		
2017	\$ 77,898,133	\$ 1,110,000	\$ 353,239	\$ -	\$ 79,361,372	8.07%	\$ 2,045	\$ 13,790	\$ 38		
2016	\$ 79,965,120	\$ 1,215,000	\$ 23,830	\$ -	\$ 81,203,950	8.25%	\$ 2,099	\$ 13,604	\$ 33		
2015	\$ 75,120,000	\$ 1,310,000	\$ 47,129	\$ -	\$ 76,477,129	7.77%	\$ 1,972	\$ 12,608	\$ 36		
2014	\$ 76,200,000	\$ 1,400,000	\$ 89,076	\$ 30,365	\$ 77,719,441	7.90%	\$ 2,000	\$ 12,469	\$ 40		
2013	\$ 77,255,000	\$ 1,485,000	\$ 56,314	\$ 60,730	\$ 78,857,044	8.01%	\$ 1,462	\$ 12,347	\$ 42		
2012	\$ 78,285,000	\$ 1,565,000	\$ 91,937	\$ 91,095	\$ 80,033,032	8.13%	\$ 1,485	\$ 12,113	\$ 46		

Source: School District records

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

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

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

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

Huber Heights City School District, Ohio

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Population (1)	40,006	40,006	39,926	38,101	38,101	38,101	38,101	38,101	38,101	38,101
Total Estimated Actual Value (2)	\$ 2,392,499,229	\$ 2,045,102,400	\$ 2,026,652,257	\$ 2,012,739,600	\$ 1,935,994,086	\$ 1,910,390,171	\$ 1,901,754,971	\$ 2,008,520,086	\$ 2,012,348,257	\$ 2,020,145,800
General Bonded Debt										
General Obligation Bonds (3)	\$ 68,045,184	\$ 70,652,171	\$ 73,189,158	\$ 75,651,145	\$ 77,898,133	\$ 79,965,120	\$ 75,120,000	\$ 76,200,000	\$ 77,255,000	\$ 78,285,000
Resources Available to Pay Principal (4)	\$ 2,640,867	\$ 2,192,352	\$ 2,675,912	\$ 3,049,277	\$ 3,162,524	\$ 4,697,353	\$ 3,473,008	\$ 3,416,963	\$ 3,241,293	\$ 3,227,939
Net General Bonded Debt	\$ 65,404,317	\$ 68,459,819	\$ 70,513,246	\$ 72,601,868	\$ 74,735,609	\$ 75,267,767	\$ 71,646,992	\$ 72,783,037	\$ 74,013,707	\$ 75,057,061
Ratio of Net Bonded Debt to Total Estimated Actual Property Value	2.73%	3.35%	3.48%	3.61%	3.86%	3.94%	3.77%	1.98%	2.05%	2.05%
Net Bonded Debt per Capita	\$ 1,635	\$ 1,711	\$ 1,766	\$ 1,906	\$ 1,962	\$ 1,975	\$ 1,880	\$ 1,841	\$ 1,905	\$ 1,942

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

(2) Montgomery County Auditor

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

(4) Restricted net position for debt service.

Huber Heights City School District, Ohio

*Schedule 11 - Unaudited
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021*

	<u>Total Net Debt Obligations</u>	<u>Percentage Applicable to the District (1)</u>	<u>Amount Applicable to the District</u>
Governmental Unit:			
Direct:			
Huber Heights City School District	\$ 68,880,766	100.00%	\$ 68,880,766
Overlapping:			
City of Dayton	37,965,000	5.76%	2,186,784
City of Huber Heights	25,483,000	97.18%	24,764,379
City of Riverside	1,480,000	0.54%	7,992
Miami Valley Career Center Joint Vocational School District	125,612,994	10.69%	13,428,029
Dayton Metro Library District	141,664,986	9.89%	14,010,667
Total Overlapping	332,205,980		54,397,851
Total Direct and Overlapping Debt	\$ 401,086,746		\$ 123,278,617

Source: School District Records and Ohio Municipal Advisory Council.

Note: Only subdivisions with outstanding debt are listed.

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

Huber Heights City School District, Ohio

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

Fiscal Year	Voted Debt Limit (1)	Total Debt Applicable to Limit (2)	Debt Service Available Balance (3)	Net Debt Applicable to Limit	Voted Legal Debt Margin (4)	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2021	\$ 75,363,726	\$ 62,130,000	\$ 2,685,113	\$ 59,444,887	\$ 15,918,839	78.88%
2020	\$ 64,420,726	\$ 64,255,000	\$ 2,347,740	\$ 61,907,260	\$ 2,513,466	96.10%
2019	\$ 63,839,546	\$ 66,310,000	\$ 2,834,340	\$ 63,475,660	\$ 363,886	99.43%
2018	\$ 63,401,297	\$ 68,290,000	\$ 3,178,893	\$ 65,111,107	\$ (1,709,810)	102.70%
2017	\$ 60,983,814	\$ 70,055,000	\$ 3,323,499	\$ 66,731,501	\$ (5,747,687)	109.42%
2016	\$ 60,177,290	\$ 71,640,000	\$ 4,821,943	\$ 66,818,057	\$ (6,640,767)	111.04%
2015	\$ 59,905,282	\$ 75,120,000	\$ 3,670,575	\$ 71,449,425	\$ (11,544,143)	119.27%
2014	\$ 63,268,383	\$ 76,200,000	\$ 3,608,370	\$ 72,591,630	\$ (9,323,247)	114.74%
2013	\$ 63,388,970	\$ 77,255,000	\$ 3,419,225	\$ 73,835,775	\$ (10,446,805)	116.48%
2012	\$ 63,634,593	\$ 78,285,000	\$ 3,358,231	\$ 74,926,769	\$ (11,292,176)	117.75%

Source: School District records

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

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

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

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

Huber Heights City School District, Ohio

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

Year	Population (1)	Unemployment Rate (2)	ADM (3)	Assessed Valuation Per Pupil (4)	Personal Income Per Capita (5)	Median Household Income State (5)	Average Teacher Salary (6)	Graduation Rate (6)
2021	40,006	6.30%	5,590	\$149,799	\$28,018	\$62,461	\$77,900	89.9%
2020	40,006	10.60%	6,047	\$118,370	\$27,794	\$54,491	\$75,447	89.4%
2019	39,926	4.20%	6,005	\$118,123	\$25,823	\$54,897	\$72,981	89.4%
2018	38,101	4.80%	5,941	\$118,576	\$25,823	\$54,897	\$70,103	87.9%
2017	38,101	5.00%	5,649	\$119,950	\$25,823	\$54,897	\$68,465	85.1%
2016	38,101	4.70%	5,878	\$113,752	\$25,823	\$54,897	\$67,039	87.1%
2015	38,101	4.90%	5,958	\$111,718	\$25,823	\$54,897	\$65,663	85.1%
2014	38,101	5.30%	6,111	\$115,036	\$25,823	\$54,897	\$65,140	84.2%
2013	38,101	7.00%	6,257	\$112,565	\$25,823	\$54,897	\$64,744	82.3%
2012	38,101	7.20%	6,463	\$109,400	\$25,823	\$54,897	\$63,541	86.4%

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

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

(3) Enrollment from School District records

(4) Montgomery County Auditor's Office

(5) City of Huber Heights

(6) Ohio Department of Education

N/A = Information not readily available.

Huber Heights City School District, Ohio

Schedule 14 - Unaudited

Principal Employers

Last Calendar Year and Nine Years Ago

Employer	December 31, 2020				December 31, 2011			
	Employees	Rank	Percentage of Total Employment		Employees	Rank	Percentage of Total Employment	
Huber Heights City School District	949	1	2.67%		961	1	5.35%	
Meijer	665	2	1.87%		411	5	2.29%	
Wal-Mart Store Incorporated	607	3	1.71%		349	6	1.94%	
Trimble Engineering & Construction Division	600	4	1.69%		462	3	2.57%	
ABF Freight Systems	482	5	1.35%		428	4	2.38%	
Kroger Limited	472	6	1.33%		305	10	1.70%	
Miami Valley Hospital/PHP Accounts Payable	459	7	1.29%					
McDonalds/Scott M&A Corp	377	8	1.06%					
Lowes Home Improvement, Inc.	364	9	1.02%					
Texas Roadhouse	342	10	0.96%					
CBS Personnel					548	2	3.05%	
State of Ohio - Payroll Services					340	7	1.89%	
Scott Corporation					327	8	1.82%	
FedEx Freight					320	9	1.78%	
	<u>5,317</u>		<u>14.94%</u>		<u>4,451</u>		<u>24.79%</u>	
All Other Employers	<u>30,274</u>		<u>85.06%</u>		<u>13,505</u>		<u>75.21%</u>	
	<u>35,591</u>		<u>100.00%</u>		<u>17,956</u>		<u>100.00%</u>	

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

Huber Heights City School District, Ohio

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

Position	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Asst. Principal	8.00	4.00	4.00	4.00	4.00	N/A	N/A	4.00	N/A	N/A
Principal	8.50	8.00	8.00	8.00	8.00	N/A	N/A	7.00	N/A	N/A
Superintendent	1.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00	N/A	N/A
Supervisory/Managing/Directing	12.00	8.00	8.00	6.00	6.00	N/A	N/A	9.00	N/A	N/A
Treasurer	1.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00	N/A	N/A
Director	6.00	6.00	4.00	5.00	5.00	N/A	N/A	3.00	N/A	N/A
Counseling	12.00	12.00	11.00	11.00	11.00	N/A	N/A	10.00	N/A	N/A
Librarian/Media	1.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00	N/A	N/A
Supplemental Special Education Teacher	42.00	39.00	39.00	39.00	39.00	N/A	N/A	42.00	N/A	N/A
Teacher on Special Assignment	6.00	6.00	6.00	6.00	6.00	N/A	N/A	6.00	N/A	N/A
General Education K-12	232.56	264.50	258.50	260.50	248.50	N/A	N/A	230.00	N/A	N/A
Gifted and Talented	2.00	3.00	3.00	3.00	3.00	N/A	N/A	2.00	N/A	N/A
Preschool Education	7.00	7.00	7.00	7.00	7.00	N/A	N/A	6.00	N/A	N/A
Art Education	7.00	10.00	10.00	7.50	7.50	N/A	N/A	7.50	N/A	N/A
Music Education	9.30	10.00	10.00	7.50	7.50	N/A	N/A	7.50	N/A	N/A
Physical Education/Health	5.00	8.00	8.00	8.00	8.00	N/A	N/A	8.00	N/A	N/A
EL Instructional Program	2.54	3.50	3.50	1.50	1.50	N/A	N/A	0.00	N/A	N/A
ROTC Assignment	0.00	2.00	2.00	2.00	2.00	N/A	N/A	2.00	N/A	N/A
Psychologist	5.00	5.00	4.00	4.00	4.00	N/A	N/A	3.00	N/A	N/A
Registered Nursing	3.00	3.00	3.00	3.00	3.00	N/A	N/A	0.00	N/A	N/A
Speech	9.60	9.00	8.00	7.00	7.00	N/A	N/A	5.00	N/A	N/A
Computer Operating	2.00	2.00	1.00	2.00	2.00	N/A	N/A	3.00	N/A	N/A
Library Aide	1.21	6.00	6.00	6.00	6.00	N/A	N/A	3.00	N/A	N/A
Computer Aide	10.70	7.00	7.00	7.00	7.00	N/A	N/A	7.00	N/A	N/A
Bookkeeping	3.00	3.00	3.00	3.00	3.00	N/A	N/A	3.00	N/A	N/A
Administrative Assistants	13.00	12.00	11.00	10.00	10.00	N/A	N/A	12.00	N/A	N/A
Clerical	13.00	16.00	16.00	16.00	16.00	N/A	N/A	16.00	N/A	N/A
Teaching Aide	6.33	4.00	6.00	4.00	5.00	N/A	N/A	5.00	N/A	N/A
Special Needs Aide	68.00	75.00	71.00	65.00	61.00	N/A	N/A	60.00	N/A	N/A
Parent Mentor	0.00	1.00	1.00	1.00	1.00	N/A	N/A	1.00	N/A	N/A
Clinic Aide	8.00	8.00	8.00	8.00	8.00	N/A	N/A	10.00	N/A	N/A
General Maintenance	4.00	4.00	4.00	4.00	4.00	N/A	N/A	4.00	N/A	N/A
Mechanic	2.00	2.00	2.00	2.00	2.00	N/A	N/A	2.00	N/A	N/A
Dispatching	1.00	1.00	1.00	0.00	0.00	N/A	N/A	0.00	N/A	N/A
Vehicle Operator (buses)	25.71	32.00	34.00	31.00	35.00	N/A	N/A	33.00	N/A	N/A
Attendance Officer	1.00	1.00	1.00	1.00	1.00	N/A	N/A	0.00	N/A	N/A
Custodian	20.00	19.00	21.00	21.00	21.00	N/A	N/A	18.00	N/A	N/A
Bus Aide	11.50	9.00	10.00	13.00	9.00	N/A	N/A	9.00	N/A	N/A
Total Governmental Activities	570.95	613.00	603.00	587.00	572.00	0.00	0.00	541.00	0.00	0.00

Source: Ohio Department of Education
N/A = Information not readily available. The District will continue to accumulate information in years to come.

Huber Heights City School District, Ohio

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

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Enrollment (1)	5,590	6,047	6,005	5,941	5,649	5,878	5,958	6,111	6,257	6,463
Graduation Rate (2)(3)	89.9%	89.4%	89.4%	87.9%	85.1%	87.1%	85.1%	84.2%	82.3%	86.4%
Support Services:										
Administration										
Student Attendance Rate (2)	91.9%	N/A	94.2%	94.2%	94.3%	94.4%	94.1%	94.2%	94.2%	94.8%
Fiscal: (3)										
Payroll Checks Issued	333	519	1,077	1,129	1,191	1,071	903	1,051	1,617	N/A
Payroll Direct Deposits Issued	17,655	18,518	18,592	18,193	17,886	17,469	17,085	17,272	19,241	N/A
W-2's Issued	939	972	973	942	947	935	939	930	1,003	1,116
Non-payroll Checks Issued	2,655	3,245	3,748	3,643	3,520	4,125	4,228	4,328	N/A	N/A
Pupil Transportation: (4)										
Average number of students transported daily	2,070	1,964	1,797	1,831	1,883	1,927	1,865	1,747	1,717	3,646
Food Service Operations: (4)										
Percentage of Students who receive free/reduced meals (3)	41.2%	41.9%	40.5%	52.5%	53.4%	51.7%	49.9%	49.1%	49.1%	43.6%

Note:

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

Huber Heights City School District, Ohio

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

Fiscal Year	Expenses (1)	Cost per Pupil	Enrollment
2021	\$ 90,622,924	\$ 16,212	5,590
2020	\$ 85,859,643	\$ 14,199	6,047
2019	\$ 69,490,916	\$ 11,572	6,005
2018	(2) \$ 43,281,449	\$ 7,285	5,941
2017	\$ 74,960,787	\$ 13,270	5,649
2016	\$ 74,699,702	\$ 12,708	5,878
2015	\$ 64,526,796	\$ 10,830	5,958
2014	\$ 64,499,903	\$ 10,555	6,111
2013	\$ 72,584,394	\$ 11,601	6,257
2012	\$ 78,174,865	\$ 12,096	6,463

Source: School District Records

Note:

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

(2) = Fiscal year 2018 expense lower due to negative pension/OPEB expense for that particular year.

Huber Heights City School District, Ohio

Schedule 18 - Unaudited
Capital Asset Statistics
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Land	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 915,794	\$ 965,003	\$ 965,003	\$ 965,003	\$ 970,003
Land Improvements	932,812	1,105,520	1,214,474	1,345,341	1,181,919	1,270,250	1,433,607	1,520,151	1,606,695	1,710,990
Buildings and Improvements	144,250,770	145,685,623	147,116,568	145,693,623	146,935,755	148,494,576	153,714,926	154,011,415	150,908,193	81,872,978
Machinery and Equipment	479,087	587,346	626,978	701,649	976,626	1,042,580	840,417	522,585	391,338	682,014
Vehicles	1,439,201	1,289,656	1,206,129	1,016,702	1,062,152	1,037,408	881,651	1,047,890	1,245,700	1,523,088
Construction in Progress	495,450	-	-	2,076,349	139,557	13,062	-	-	-	53,912,072
Total Governmental Activities Capital Assets, net	<u>\$ 148,513,114</u>	<u>\$ 149,583,939</u>	<u>\$ 151,079,943</u>	<u>\$ 151,749,458</u>	<u>\$ 151,211,803</u>	<u>\$ 152,773,670</u>	<u>\$ 157,835,604</u>	<u>\$ 158,067,044</u>	<u>\$ 155,116,929</u>	<u>\$ 140,671,145</u>

Source: School District records.

Note: Amounts above are presented net of accumulated depreciation.

Huber Heights City School District, Ohio

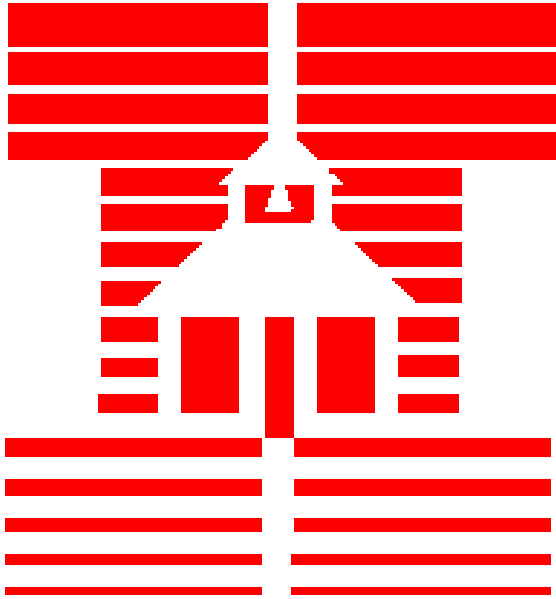
*Schedule 19 - Unaudited
Capital Asset Statistics by Building
Last Ten Fiscal Years*

	Year Built	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Secondary											
<i>Wayne High School</i>	2010	308,700	308,700	308,700	308,700	308,700	308,700	308,700	308,700	308,700	308,700
Square Footage		47.57	47.57	47.57	30.21	30.21	30.21	30.21	30.21	30.21	30.21
Acreage		2,607	2,607	2,607	2,607	2,607	2,607	2,607	2,607	2,607	2,607
Capacity (students)		1,573	1,645	1,597	1,606	1,731	1,599	1,777	1,659	N/A	N/A
Enrollment											
Middle											
<i>Weisenborn Middle School</i>	2010	95,814	95,814	95,814	95,814	95,814	95,814	95,814	95,814	95,814	95,814
Square Footage		51.78	51.78	51.78	51.78	51.78	51.78	51.78	51.78	51.78	51.78
Acreage		1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745	1,745
Capacity (students)		901	896	897	861	868	886	894	918	N/A	N/A
Enrollment											
Elementary											
<i>Charles Huber Elementary</i>	2010	60,710	60,710	60,710	60,710	60,710	60,710	60,710	60,710	60,710	60,710
Square Footage		15.66	15.66	15.66	15.66	15.66	15.66	15.66	15.66	15.66	15.66
Acreage		690	690	690	690	690	690	690	690	690	690
Capacity (students)		600	664	638	584	594	595	606	631	N/A	N/A
Enrollment											
<i>Monticello Elementary</i>	2010	55,355	55,355	55,355	55,355	55,355	55,355	55,355	55,355	55,355	55,355
Square Footage		13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Acreage		690	690	690	690	690	690	690	690	690	690
Capacity (students)		539	578	630	655	626	584	588	613	N/A	N/A
Enrollment											
<i>Rushmore Elementary</i>	2010	57,082	57,082	57,082	57,082	57,082	57,082	57,082	57,082	57,082	57,082
Square Footage		13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Acreage		690	690	690	690	690	690	690	690	690	690
Capacity (students)		624	653	675	679	668	635	615	627	N/A	N/A
Enrollment											
<i>Valley Forge Elementary</i>	2010	57,171	57,171	57,171	57,171	57,171	57,171	57,171	57,171	57,171	57,171
Square Footage		10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25
Acreage		690	690	690	690	690	690	690	690	690	690
Capacity (students)		544	610	549	567	575	593	609	592	N/A	N/A
Enrollment											
<i>Wright Brothers Elementary</i>	2010	57,938	57,938	57,938	57,938	57,938	57,938	57,938	57,938	57,938	57,938
Square Footage		21.52	21.52	21.52	21.52	21.52	21.52	21.52	21.52	21.52	21.52
Acreage		690	690	690	690	690	690	690	690	690	690
Capacity (students)		609	668	644	611	616	635	619	659	N/A	N/A
Enrollment											
Preschool											
<i>Studebaker</i>	1970	77,901	77,901	77,901	77,901	77,901	77,901	77,901	77,901	77,901	77,901
Square Footage		30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Acreage		850	850	850	850	850	850	850	850	850	850
Capacity (students)		172	198	108	106	81	101	167	159	N/A	N/A
Enrollment											

Source: School District Records

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

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HUBER HEIGHTS

CITY SCHOOLS



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

SINGLE AUDIT REPORT

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

James G. Zupka, CPA, Inc.
Certified Public Accountants

**HUBER HEIGHTS CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**HUBER HEIGHTS CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Federal Expenditures	Non-Cash Expenditures
U.S. Department of Agriculture			
<i>Passed Through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	\$ 487,096	\$ 0
School Breakfast Program - COVID-19	10.553	87,973	0
National School Lunch Program	10.555	608,932	54,461
National School Lunch Program - COVID-19	10.555	136,907	0
Summer Food Service Program for Children	10.559	802	0
Summer Food Service Program for Children - COVID-19	10.559	7,814	0
Total Child Nutrition Cluster		<u>1,329,524</u>	<u>54,461</u>
<i>Total Passed Through the Ohio Department of Education</i>			
Total U.S. Department of Agriculture		<u>1,329,524</u>	<u>54,461</u>
U.S. Department of Education			
<i>Passed Through the Ohio Department of Education</i>			
Title I - Grants to Local Educational Agencies - School Quality Improvement	84.010	1,422,239	0
Title I - Grants to Local Educational Agencies	84.010A	94,779	0
Title I - Grants to Local Educational Agencies-Non-Competitive, Expanding Opportunities for Each Child	84.010A	25,641	0
Title I - Grants to Local Educational Agencies-Non-Competitive, School Improvement Funds	84.010A	13,087	0
<i>Total AL #84.010</i>		<u>1,555,746</u>	<u>0</u>
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	1,379,672	0
Special Education Grants to States - Restoration	84.027	59,976	0
Special Education Preschool Grants	84.173	38,411	0
Total Special Education Cluster (IDEA)		<u>1,478,059</u>	<u>0</u>
English Language Acquisition State Grants	84.365	38,625	0
Improving Teacher Quality State Grants	84.367	290,016	0
Student Support and Academic Enrichment Program	84.424	447,296	0
Education Stabilization Fund - ESSER I	84.425D	1,248,972	0
Education Stabilization Fund - ESSER II	84.425D	25,328	0
<i>Total AL #84.425D</i>		<u>1,274,300</u>	<u>0</u>
<i>Total Passed Through the Ohio Department of Education</i>			
Total U.S. Department of Education		<u>5,084,042</u>	<u>0</u>
U.S. Department of the Treasury			
<i>Passed through the Ohio Department of Education</i>			
Coronavirus Relief Fund - Broadband Ohio Connectivity Grant	21.019	30,293	0
Coronavirus Relief Fund - Urban School District Grant	21.019	294,720	0
<i>Total Passed through the Ohio Department of Education</i>		<u>325,013</u>	<u>0</u>
<i>Passed through the Montgomery County Office of CARES Act</i>			
Coronavirus Relief Fund	21.019	1,000,000	0
<i>Total Passed through the Montgomery County Office of CARES Act</i>		<u>1,000,000</u>	<u>0</u>
<i>Passed through the Montgomery County Educational Service Center</i>			
Coronavirus Relief Fund - Blended and Remote Learning Grant	21.019	43,091	0
Coronavirus Relief Fund - WIFI Extenders	21.019	63,867	0
<i>Total Passed through the Montgomery County Educational Service Center</i>		<u>106,958</u>	<u>0</u>
Total U.S. Department of the Treasury		<u>1,431,971</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 7,845,537</u>	<u>\$ 54,461</u>

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

**HUBER HEIGHTS CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Huber Heights City School District (the District's) under programs of the federal government for the year ended June 30, 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, or changes in net position of the District.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4: CHILD NUTRITION CLUSTER

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

NOTE 5. FOOD DONATION PROGRAM

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

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

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Garfield Hts., Ohio 44125

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Ohio Society of Certified Public Accountants

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

To the Members of Board of Education
Huber Heights City School District
Huber Heights, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Huber Heights City School District, Montgomery County, Ohio, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 30, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District, and the school foundation aid received from the State of Ohio will be funded through the direct funding model.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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



James G. Zupka, CPA, Inc.
Certified Public Accountants

December 30, 2021

JAMES G. ZUPKA, C.P.A., INC.

*Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125*

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

To the Members of Board of Education
Huber Heights City School District
Huber Heights, Ohio

The Honorable Keith Faber
Auditor of State
State of Ohio

Report on Compliance for Each Major Federal Program

We have audited the Huber Heights City School District, Montgomery County, Ohio's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance 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 express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on 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 that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Huber Heights City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion 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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 30, 2021, which contained unmodified opinions on those financial statements, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District, and the school foundation aid received from the State of Ohio will be funded through the direct funding model. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



James G. Zupka, CPA, Inc.
Certified Public Accountants

February 7, 2022

**HUBER HEIGHTS CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

1. SUMMARY OF AUDITOR'S RESULTS

2021(i)	Type of Financial Statement Opinion	Unmodified
2021(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2021(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2021(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2021(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2021(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2021(v)	Type of Major Programs' Compliance Opinions	Unmodified
2021(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2021(vii)	Major Programs (list): Child Nutrition Cluster: AL #10.553, #10.555 and #10.559 Coronavirus Relief Fund - AL #21.019 Education Stabilization Fund Cluster - AL #84.425	
2021(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Other
2021(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**HUBER HEIGHTS CITY SCHOOL DISTRICT
MONTGOMERY COUNTY, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The prior audit report, as of June 30, 2020, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

OHIO AUDITOR OF STATE KEITH FABER



HUBER HEIGHTS CITY SCHOOL DISTRICT

MONTGOMERY COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 3/22/2022

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