

SANDUSKY CITY SCHOOL
DISTRICT
ERIE COUNTY, OHIO

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2022



Rea & associates

www.reacpa.com

OHIO AUDITOR OF STATE
KEITH FABER



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Board of Education
Sandusky City School District
407 Decatur Street
Sandusky, Ohio 44870

We have reviewed the *Independent Auditor's Report* of the Sandusky City School District, Erie County, prepared by Rea & Associates, Inc., for the audit period July 1, 2021 through June 30, 2022. 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 Sandusky 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 30, 2023

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Sandusky City School District
Erie County, Ohio
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For the Fiscal Year Ended June 30, 2022

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

To the Board of Education and Management
Sandusky City School District
Erie County, Ohio
407 Decatur Street
Sandusky, OH 44870

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 Sandusky City School District, Erie County, Ohio (the “School District”) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated February 28, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing 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 School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School 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 entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

Rea & Associates, Inc.
New Philadelphia, Ohio
February 28, 2023

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

To Board of Education and Management
Sandusky City School District
Erie County, Ohio
407 Decatur Street
Sandusky, OH 44870

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Sandusky City School District's, Erie County, Ohio (the School District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Education Stabilization Fund

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Education Stabilization Fund for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Matter Giving Rise to Qualified Opinion on the Education Stabilization Fund

As described in the accompanying schedule of findings and questioned costs, the School District did not comply with requirements regarding the Education Stabilization Fund as described as finding number 2022-002 for Reporting.

Compliance with such requirements is necessary, in our opinion, for the School District to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002 to be a material weakness.

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. We consider the deficiency in internal control over

compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our report thereon, dated February 28, 2023, which contained unmodified opinions on those financial statements. 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 purposes 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Rea & Associates, Inc.
New Philadelphia, Ohio
February 28, 2023

Sandusky City School District
Erie County, Ohio
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/ Pass Through Grantor/ Program Title	ALN	Grant Year	Federal Disbursements	Passed Through to Subrecipients
U.S. Department of Education				
Direct Program				
<i>Student Financial Aid Cluster</i>				
Federal Pell Grant Program	84.063	2021/2022	350,510	0
Federal Direct Student Loans	84.268	2022	588,950	0
<i>Total Student Financial Aid Cluster</i>			<u>939,460</u>	<u>0</u>
COVID-19 HEERF - Institutional	84.425F	2021/2022	581,996	0
COVID-19 HEERF - Student	84.425E	2021/2022	216,000	0
Total HEERF			<u>797,996</u>	<u>0</u>
Passed Through Ohio Department of Education:				
COVID-19 ESSER I	84.425D	2021/2022	28,299	0
COVID-19 ESSER II	84.425D	2021/2022	2,505,118	0
COVID-19 ESSER III	84.425U	2021/2022	1,827,387	0
COVID-19 ESSER Homeless Round II	84.425U	2021/2022	16,490	0
Total Education Stabilization Fund			<u>5,175,290</u>	<u>0</u>
Passed Through Ohio Board of Regents:				
Adult Education - Basic Grants to States	84.002A	2021/2022	109,898	0
Passed Through Ohio Department of Education:				
Title I Grants to Local Educational Agencies	84.010A	2021/2022	1,506,895	0
<i>Special Education Cluster</i>				
IDEA-B	84.027A	2021/2022	1,014,162	0
COVID-19 - IDEA-B	84.027X	2021/2022	89,350	0
Total IDEA-B			<u>1,103,512</u>	<u>0</u>
Preschool Grants	84.173A	2021/2022	50,014	0
COVID-19 - Preschool Grants	84.173X	2021/2022	2,476	0
Total Preschool Grants			<u>52,490</u>	<u>0</u>
<i>Total Special Education Cluster</i>			<u>1,156,002</u>	<u>0</u>
Career and Technical Education - Basic Grants to States	84.048A	2021/2022	55,114	0
Title II-A Improving Teacher Quality	84.367A	2021/2022	169,653	0
Title IV-A - Student Support and Academic Enrichment	84.424A	2021/2022	207,577	0
Title V-B Rural and Low Income	84.358B	2022	24,346	0
Total U.S. Department of Education			<u>9,344,235</u>	<u>0</u>
U. S. Department of Agriculture				
(Passed Through Ohio Department of Education):				
<i>Child Nutrition Cluster:</i>				
Non-Cash Assistance (Food Distribution):				
School Breakfast Program	10.553	2022	40,826	0
National School Lunch Program	10.555	2022	131,728	0
<i>Non-Cash Assistance Subtotal:</i>			<u>172,554</u>	<u>0</u>
Cash Assistance:				
School Breakfast Program	10.553	2022	408,221	0
National School Lunch Program	10.555	2022	1,192,143	0
COVID-19 National School Lunch Program	10.555	2022	125,015	0
<i>Cash Assistance Subtotal:</i>			<u>1,725,379</u>	<u>0</u>
<i>Total Child Nutrition Cluster</i>			<u>1,897,933</u>	<u>0</u>
Child and Adult Care Food Program	10.558	2022	36,212	0
Total U.S. Department of Agriculture			<u>1,934,145</u>	<u>0</u>
U. S. Department of Treasury				
(Passed Through Ohio Department of Education):				
COVID-19 CRF - BroadbandOhio Connectivity Grant	21.019	2021/2022	39,061	0
Total U.S. Department of Treasury			<u>39,061</u>	<u>0</u>
The Institute of Museum and Library Services				
(Passed Through State Library of Ohio):				
Library Services Tech	45.310	2022	25,598	0
Total Institute of Museum and Library Services			<u>25,598</u>	<u>0</u>
Total Federal Assistance			<u>\$ 11,343,039</u>	<u>\$ 0</u>

See accompanying notes to schedule of expenditures of federal awards.

Sandusky City School District
Erie County, Ohio
Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Fiscal Year Ended June 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Sandusky City School District (the School District) under programs of the federal government for the year ended June 30, 2022. 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 School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the School District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

NOTE F - FEDERAL DIRECT LOAN PROGRAM

The School District participates in the William D. Ford Federal Direct Loan Program. The School District originates the loans which are then funded through the U.S. Department of Education.

Federal Subsidized Loans	\$ 210,434
Federal Unsubsidized Loans	<u>378,516</u>
Total Federal Direct Student Loans	<u>\$ 588,950</u>

Sandusky City School District
Erie County, Ohio
Schedule of Findings and Questioned Costs
2 CFR Section 200.515
June 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	None reported
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified – Student Financial Assistance Cluster ALN 84.063/84.268 Unmodified – Title I ALN 84.010A Qualified – COVID-19 Education Stabilization Fund ALN 84.425F/84.425D/84.425U
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	Yes
(d)(1)(vii)	Major Programs (list): Student Financial Assistance Cluster COVID-19 Education Stabilization Fund Title I	ALN 84.063/84.268 84.425F/84.425D/84.425U 84.010A
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: All Others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	No

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

None noted.

Sandusky City School District
Erie County, Ohio
Schedule of Findings and Questioned Costs (Continued)
2 CFR Section 200.515
June 30, 2022

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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Finding Number: 2022-001

Federal Program: Student Financial Assistance Cluster

Federal Award Identification Number and Year: N/A

Assistance Listing Number (ALN): 84.063 and 84.268

Federal Agency: U.S. Department of Education

Pass-through Entity: None

Repeat Finding: Yes – 2021-001

Significant Deficiency & Noncompliance – Special Tests and Provisions - Enrollment Reporting

Criteria: Federal Pell Grant Program—An institution shall submit, in accordance with deadline dates established by the secretary, through publication in the Federal Register, other reports and information the secretary requires and shall comply with the procedures the secretary finds necessary to ensure that the reports are correct (34 CFR Section 690.83(b)(2)).

Federal Direct Student Loans—Changes in student status are required to be reported to the National Student Loan Data System (NSLDS) within 30 days of the change or included in a updated enrollment roster report sent to the NSLDS within 60 days of the status change (34 CFR Section 685.309(b)). Updated enrollment roster reports are required to be returned to NSLDS within 15 days of receiving the enrollment roster file from the Department of Education.

Condition: The School District did not provide updated enrollment reporting roster files to NSLDS within the required 15 day timeframe for 2 of the 6 enrollment roster files received in fiscal year 2022.

Questioned Costs: None.

Identification of How Questioned Costs Were Computed: N/A

Context: Of the 6 enrollment reporting roster files received by the School District, 2 were not updated and returned within the required timeframe.

Cause and Effect: There was significant turnover in management within the financial aid department. This caused confusion regarding procedures and responsibilities within the department, including the specific timing and requirements for enrollment reporting. The School District did not have procedures in place to ensure that changes in students' statuses were being monitored and reported timely to NSLDS.

Without proper controls to ensure that changes in students' statuses are reported timely, there is a risk that the School District's records and NSLDS' records may not match and that improper financial aid could be awarded in the future.

Recommendation: The School should implement controls and processes to ensure that enrollment reporting changes are monitored and submitted in a timely manner to NSLDS.

Views of Responsible Officials and Corrective Action Plan: See Corrective Action Plan.

Sandusky City School District
Erie County, Ohio
Schedule of Findings and Questioned Costs (Continued)
2 CFR Section 200.515
June 30, 2022

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)
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Finding Number: 2022-002

Federal Program: Higher Education Emergency Relief Fund

Federal Award Identification Number and Year: N/A

Assistance Listing Number (ALN): 84.425F & 84.425E

Federal Agency: U.S. Department of Education

Pass-through Entity: None

Repeat Finding: No

Material Weakness & Material Noncompliance – Reporting

Criteria: The U.S. Department of Education (ED) requires all Higher Education Emergency Relief Fund (HEERF) to annually report how HEERF funds were utilized. ED developed the HEERF Data Collection Form that institutions must have used to satisfy the annual reporting requirement for HEERF I. This form collects information about how the school used its CARES Act Section 18004(a)(1), (a)(2), and (a)(3) HEERF I funds. The form was required to be submitted to ED via the Annual Report Data Collection System between April 11, 2022 and May 6, 2022 and applied to the reporting period from January 1, 2021 through December 31, 2021.

Additionally, the CARES, CRRSAA, and ARP institutional quarterly portion reporting requirements involve publicly posting completed forms on the District's website. The forms must be conspicuously posted on the District's primary website on the same page the reports of the Institution of Higher Education's (IHEs) activities as to the emergency financial aid grants to students (Student Aid Portion) are posted. A new, separate form must be posted covering aggregate amounts spent for HEERF I, HEERF II, and HEERF III funds each quarterly reporting period (September 30, December 31, March 31, June 30), concluding after an institution has expended and liquidated all (a)(1) Institutional Portion, (a)(2), and (a)(3) funds and checks the "final report" box. IHEs must post this quarterly report form no later than 10 days after the end of each calendar quarter (September 30, December 31, March 31, and June 30).

Condition: The School District did not include \$345,437 of institutional expenditures in the 2021 annual report submitted to ED. The original reporting for the quarterly report were posted timely; however, original reports were determined to be inaccurate and had to be revised after the required due dates and reposted to reflect the corrections.

Questioned Costs: None.

Identification of How Questioned Costs Were Computed: N/A

Context: While reviewing the annual report for accurate information, noted the institutional expenditures did not agree to the School District's expenditure ledgers. The original quarterly reports posted to the School District's website were not accurate. Subsequent revisions were required after the due date for all four quarters and corrected reports were reposted.

Sandusky City School District
Erie County, Ohio
Schedule of Findings and Questioned Costs (Continued)
2 CFR Section 200.515
June 30, 2022

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)
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Cause and Effect: There was significant turnover in management within the financial aid department. This caused confusion regarding procedures and responsibilities within the department, including the specific timing and requirements for the annual and quarterly reporting. The School District did not have procedures in place to ensure that accurate information was included in the annual and quarterly reports.

Failure to have procedures in place to complete annual and quarterly reporting requirements accurately may result in the School District being in non-compliance.

Recommendation: The School should implement controls and processes to ensure that accurate information is reported on the quarterly and annual reports as required by the grant agreement.

Views of Responsible Officials and Corrective Action Plan: See Corrective Action Plan.



Sandusky City Schools

Sandusky Career Center

4501 Venice Heights Blvd, Sandusky, OH 44870-4740 | 419-984-1100
www.scs-k12.net

CORRECTIVE ACTION PLAN **2 CFR § 200.511(c)** **June 30, 2022**

Finding Number: 2022-001
Planned Corrective Action: Student withdrawal and graduation files will be updated in NSLDS at the time of occurrence. A monthly review of all files will occur in NSLDS at the end of each month.
Anticipated Completion Date: 03/01/2023
Responsible Contact Person: Crystal Cook, Financial Aid Coordinator, and Christine Stark, Director

Finding Number: 2022-002
Planned Corrective Action: The District will submit accurate information on the HEERF annual report and quarterly report posted to the School District's website.
Anticipated Completion Date: 04/10/2023
Responsible Contact Person: Crystal Cook, Financial Aid Coordinator, and Christine Stark, Director



Sandusky City Schools

407 Decatur Street, Sandusky, OH 44870-2442 • 419-984-1006 • www.scs-

Office of the Treasurer

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
June 30, 2022

Finding Number	Finding Summary	Status	Additional Information
2021-001	Material Weakness and Material Noncompliance – Enrollment Reporting	Partially Corrected	See finding 2022-001 and the corrective action plan.
2021-002	Material Weakness and Material Noncompliance – Return of Title IV Aid	Corrected	

**SANDUSKY CITY
SCHOOL DISTRICT**
Erie County, Ohio

Prepared by Yvonne Anderson, CFO/Treasurer
And Treasurer's Office Staff

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

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Sandusky City School District
Erie County, Ohio
Comprehensive Annual Financial Report
For the Year Ended June 30, 2022
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INTRODUCTORY SECTION

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Sandusky City Schools

407 Decatur Street, Sandusky, OH 44870-2442 • 419-984-1006 • www.scs-kl2.net

Office of the Treasurer/CFO

Yvonne Anderson

February 28, 2023

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

The Annual Comprehensive Financial Report (CAFR) of the Sandusky City School District (the "School District") for the fiscal year ended June 30, 2022 is hereby submitted. This ACFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School 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 these 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 costs and benefits requires estimates and judgments by management.

State statute requires an annual audit by independent accountants. Rea & Associates, Inc. conducted the audit. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and include a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Auditors' Report is included in this ACFR.

As a part of the School District's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the School District has complied with applicable laws and regulations. The results of the School District's independent audit for the fiscal year ended June 30, 2021 provided no

instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the School District, as well as compliment the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The School District's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Auditors' Report.

PROFILE OF SANDUSKY CITY SCHOOL DISTRICT

The School District ranks as 129th largest by total enrollment among the 612 public school districts in the state and is the largest in Erie County. As of the current school year (2020-2021), the average daily membership (ADM) was 3,220 students. The School District enrollment, has experienced slight decreases over the last few years, due to a charter school opening within the city.

The School District has 437 full time and 67 part time employees. The School District employs 272 certified staff members and 36 administrators. Additionally, the School District employs 6 full-time adult education instructors and 190 full-time and part-time non-teaching staff members.

The School District offers a wide variety of educational programs for all segments of the community. Sandusky High School is one of the few comprehensive high schools in Ohio, containing eleven (11) career technical education programs as well as a wide range of college preparatory offerings. Additionally, the adult continuing education program serves nearly 120 adults each year in degree programs. The School District provides extensive special education services and offers a kindergarten through twelfth grade accelerated and gifted program. All School District kindergarten students attend all-day, every day kindergarten classes and benefit from a full day of instruction.

A full range of extracurricular programs and activities is available to students beginning with the elementary grades. All School District schools have libraries, special purpose rooms, including computer labs and unique curricular offerings designed by the individual building staff and administration.

An active Council of local neighborhood Parent Councils provides for articulation, cooperation, and communication and partnership between parents, community members, and school officials.

The School District cooperates with the City of Sandusky Recreation and Parks Department, churches and a number of community and civic organizations in making school facilities available for athletic, recreational and enrichment activities.

Classroom teachers at all levels are supported by specialists in media, guidance, art, instrumental and vocal music, physical education and curriculum development. A comprehensive interscholastic and intramural sports program is offered to students at select grade levels of the School District. All elementary schools have full-time media aides and secondary schools are staffed by a certified media

specialist. School nurses, psychologists, speech therapists, one media coordinator, counselors, specific coordinators for Title I (a federally funded reading and mathematics program), and gifted programs offer direction, support and coordination of services for all students.

Overlapping Governmental Entities

The major political subdivisions or other governmental entities that overlap the territory of the School District are listed below. The stated percentage is that percentage of the tax valuation of the overlapping entity that is located within the School District.

1. A portion (22% - approximately) of Erie County functions allocated to counties by Ohio law, such as elections, health and human services, and judicial.
2. The City of Sandusky (100%) has municipal corporation responsibilities.

Each of these entities operates independently, with its own separate budget, taxing power, and sources of revenue. Both Erie County and the City of Sandusky levy ad valorem property taxes within the ten-mill limitation (subject to available statutory allocation of the 10 mills). The School District also acts as fiscal agent for local tax revenues distributed to the Sandusky Library, located within the School District's boundaries, with this revenue reported in the agency funds. The School District is not considered a component unit of another government.

The School District is an active member of the Enterprise Zone Negotiating Committee, along with the City of Sandusky and Erie County. The Enterprise Zone offers tax abatements for real and personal property improvements and additions to businesses located within the city. A number of local companies have been granted partial tax abatements on additions made during the last several years. The City of Sandusky and the School District have also benefited from these expansions through additional tax revenues from the unabated portion of valuation increases on the property and from improved economic conditions resulting from growth in employment of city residents.

Employees

A statewide public employee bargaining law applies generally to public employee relations and collective bargaining. The starting salary (2020-2021 school year) for a teacher with a bachelor's degree is \$40,001, and the maximum salary for a teacher with a master's degree plus 24 graduate hours and 29 years of experience is \$85,377.

The School District's certificated employees, excluding administration, are members of the Sandusky Education Association (S.E.A.), a labor organization affiliated with the Ohio Education Association. The current contract between the Board of Education and the S.E.A. expires June 30, 2021.

All of the School District's support staff employees, including secretarial, custodial, maintenance, transportation, and teacher aides, are represented for bargaining purposes by the Sandusky Non-Teaching Employees Association (S.N.T.E.A.), a labor organization affiliated with the Ohio Education Association. The current S.N.T.E.A. contract expired June 30, 2021.

The School District has never experienced any work stoppage or job actions. In the judgment of the Board and administration, labor relations between the School District and its employees remain excellent.

Parochial Schools

The School District acts as fiscal agent for state funds distributed to parochial schools, with revenue reported in special revenue funds. The Early Childhood Center (Kindergarten Readiness and Preschool), St. Mary Elementary and Jr. High School (K-8) and St. Mary's Central Catholic High School (9-12) are all reported as a single entity under one IRN, are all located within the School District and serve students who reside both inside and outside the School District.

Budgetary Controls

In addition to the internal control structure mentioned above, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by the Board at the fund level. The School District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

ECONOMIC CONDITION

Local Economy

The School District is located in Erie County, in Northwest Ohio, approximately sixty miles west of Cleveland and sixty miles east of Toledo. All of the School District is located within Erie County and falls entirely within the corporate boundaries of the City of Sandusky, which lies on the shores of Sandusky Bay and Lake Erie.

The School District is served by diversified transportation facilities including immediate access to four State highways and Interstate 80 (Ohio Turnpike). The School District is served by CSX, Norfolk and Southern, and Amtrak Rail Services.

Major commercial banks with offices within the School District include PNC Bank, US Bank, Key Bank, Fifth Third Bank and Civista Bank.

Two daily newspapers serve the School District. The School District falls within the broadcast area of seven television stations and numerous AM/FM radio stations. One television station is located within the city limits as are two AM/FM radio stations. The School District has a cable television license and broadcasts school information on cable Channel 81.

Within commuting distance of the School District are numerous public and private two and four-year colleges and universities including Bowling Green State University Firelands Campus, Ashland University, Cleveland State University, Toledo University, Bowling Green State University, Terra Community College, and Lorain Community College. Bowling Green State University, Terra Community College and Owens Community College utilize School District facilities and staff for course offerings to area residents and students.

The School District is served with a wide range of recreational offerings through school and City recreation and park programs. One of the things that make the School District an attractive place to live is its unique location. It is located on both Sandusky Bay and Lake Erie with over twenty-two (22) miles of shoreline within the city limits. The close association with the water and the inherent access to boating, sailing, fishing, and swimming, etc. gives this School District an atmosphere of a coastal city. Lake freighters, ferry boats, commercial fishing boats and pleasure boats are commonplace. The lake and bay along with Cedar Point Amusement Park, many fine golf courses, restaurants, motels, shops, and business enterprises have resulted in a booming tourist trade and have given the School District's area the reputation of being one of the premier places in the country to live. The School District offers the advantages of a small town, a reasonable cost of living, and excellent medical facilities (including Firelands Regional Medical Center in Sandusky).

The local economy has been in a gradual decline for several years. A number of businesses have closed or left Sandusky, taking with them a significant number of manufacturing jobs. The City's unemployment rate in June of 2021 was 8.7%, compared with state and national unemployment rates of 6.3% and 6.1% respectively. The City of Sandusky has been involved with redevelopment through interested investors, slowly increasing the local economy. In 2020, the City of Sandusky was voted the best small coastal town in the United States of America from U.S.A. Today.

As further evidence of a struggling economy in Sandusky, according to the U.S. Census Bureau the median family income in the City was \$36,117 in the year 2018, compared with \$54,041 and \$60,336 state and national averages, respectively. Additionally, the median home value in Sandusky in 2020 was \$90,800, compared with \$140,400 and \$167,500 median home values in the state and the nation, respectively.

Long-Term Financial Planning

The School District prepares a five-year financial forecast annually for use as a tool for long range planning. The five-year forecast contains projected local and state revenues, spending patterns within each area of the budget, and cash balances in the School District's operating fund. The five-year forecast provides early warning signs of potential financial problems.

The School District regularly updates the five-year forecast for use as a basis for making financial decisions, including the construction of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot. Specific examples of recent decisions that have resulted in improvements in the School District's financial condition include the approval of a 4.9 mill operating levy in 2012, the closure of school buildings due to decreased enrollment which has resulted in the net reduction of paid staff positions, the combination of 7th and 9th grade students into a separate section of Sandusky High School, the successful replacement of a 2.0 mill permanent improvement levy in 2009, the successful renewal of a five-year, \$1.5 million emergency levy in November, 2018, and a successful passage of a bond issue levy in November, 2016 for the construction of new school buildings. The School District has begun with preliminary site construction for grades 1-2 and 3-6, to be built and open for the 2020-21 school year. The PK-K grades will have a new building scheduled to open in 2022-2023 school year. The construction project began during the 2017-18 school year, with the site preparation for two new buildings. The Ontario building was demolished and the Ontario students transitioned to the building located at the Adams street site for temporary placement until the new buildings open. The Ohio Facilities Construction Commission is assisting with funding the project contributing 64%. In addition the School District is preparing to fund locally funded initiatives.

The School District continues to monitor its finances, planning for long-term viability and financial responsibility, but the uncertainty of state funding due to consistent changes in the state funding formula and current funding for open enrollment, community and non-public schools, especially scholarship funding, creates a situation where the state funding for the future is unknown and future planning becomes reactionary based on the direction of state policy and legislation.

Major Initiatives for the Year

The School District implemented and continued a number of significant programs during the past year to meet student and community needs.

The School District continued to invest in technology in the 2020-2021 school year. The School District employs a computer technician and an instructional technology facilitator to provide support to School District staff. In addition, the School District contracts for additional technician services with outside companies.

During the 2014-2015 school year, the Sandusky City School District unveiled its latest drop-out prevention/student retention program, the Sandusky Digital Academy, an alternative high school option. Initial enrollment at the Academy was approximately 110 students and that figure has remained steady.

Major Initiatives for the Future

The School District will continue to upgrade all areas of technology and beyond to meet demands of a global focused 21st century education. Our priority will be to enhance hardware and software upgrades that promote seamless technology integration into our instructional and systemic deliveries.

The Sandusky City School District launched The Great Lakes Visual and Performing Arts Academy during the 2015-2016 school year. The academy will provide students with a variety of personally relevant arts opportunities which will help cultivate the whole child as they discover and develop their unique skills and talents.

The School District also rolled out its Global Experience Program which will offer our senior students the opportunity to intern with local businesses, industries, colleges, non-profits and the military in their career choice and Blue Streak University which provided and organized system for our students to complete their high school education while earning college credits with the potential of acquiring up to an associates degree.

The School District has instituted a rolling open-enrollment time frame policy and intends to expand awareness of the positive academic program offered by the School District.

RELEVANT FINANCIAL POLICIES

The State of Ohio developed a new funding formula for funding public education in the state. The new formula allocates funding based on the number and demographic makeup of the School District's student population as well as the relative wealth (both property and income based) for a district. In addition to the formula aid, districts are guaranteed to not receive less funding than they did in the base year or are capped on their growth.

Another significant change in the budget bill was the restructuring of Tangible Personal Property (TPP) and Electric Deregulation Property Tax reimbursements. These reimbursements were restructured such that, for fiscal year 2017, the reduction in the School District's phase out for each reimbursement is limited to 5/8 mil. Legislation was also passed in the fall of 2016 to hold harmless thus providing the School District with TPP supplement via the state funding formula. These funding limits, spending mandates and deduction increases all have to be taken into account in monitoring the operation of the Sandusky City School District and future decisions on pursuing additional revenue or expenditure reductions.

AWARDS AND ACKNOWLEDGEMENTS

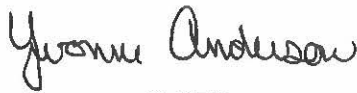
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Sandusky City School District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The School District has also received a Certificate of Excellence in Financial Reporting in School Districts from the Association of School Business Officials (ASBO) for the School District's comprehensive annual financial report for the fiscal year ended June 30, 2020. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

The preparation of the ACFR on a timely basis was made possible by the dedicated services of the Treasurer's office staff. In addition, we acknowledge the outstanding services of our data processing department in meeting the vast informational requirements. Our consultant, Rea & Associates, Inc. provided us with expert technical assistance in all phases of preparing the report. The assistance of the Erie County Auditor's office in providing information is also appreciated. Finally, we wish to acknowledge the cooperation of the team from Rea & Associates, Inc., who conducted a thorough audit of our finances.

In closing, without the leadership and support of the Board of Education of the School District, preparation of this report would not have been possible.

Sincerely,


Treasurer & CFO


Superintendent & CEO

SANDUSKY CITY SCHOOL DISTRICT
 ERIE COUNTY, OHIO

LIST OF PRINCIPAL OFFICERS
 JUNE 30, 2022

<u>Name</u>	Board of Education		<u>Vocation in Private Life</u>
	<u>Began Service as a Board Member January 1</u>	<u>Present Term Expires December 31</u>	
Ms. Ebony Sizemore	2020	2023	Nurse
Mrs. Martha Murray*	2012	2023	Homemaker
Mr. Thomas Patterson**	2014	2023	Businessman
Mrs. Kate Vargo	2012+	2021	Pharm. Rep.
Brigitte Green-Churchwell	2013+	2021	Instructor/BGSU
Jennifer Chapman-replaced Kate Vargo Jan 2022			

** President

* Vice President

+ Appointed to fill unexpired term due to a resignation

Central Office Administrative Staff

Dr. Eugene T.W. Sanders	Superintendent/CEO
Mr. Jeff Hall-resigned 2/4/22	Treasurer/CFO
Mr. Stephen Sturgill	Chief of Staff/Transformation Officer
Dr. Vilicia Cade	Chief Academic Officer
Mrs. Yvonne Anderson	Assistant Treasurer
Mr. Rich Moreck	Director of Adult & Vocational Education
Ms. Megan Peugeot	Director of Student Services
Melanie Thorbahn	Executive Assistant to Superintendent/CEO
Mr. Brad Kraft	Food Services Supervisor
Mr. Ted Peters	Transportation Supervisor
Mr. Kevin Toms	Supervisor of Building Services
Mrs. Yvonne Anderson	interim treasurer 2/5/22-7/31/22

Financial Section

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education and Management
Sandusky City School District
Erie County, Ohio
407 Decatur Street
Sandusky, OH 44870

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements, governmental activities, each major fund, and the aggregate remaining fund information of the Sandusky City School District (the "School District"), Erie County, Ohio, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sandusky City School District, Erie County, Ohio, as of June 30, 2022, and the respective changes in its financial position, and where applicable, cash flows and the budgetary comparisons for the general fund, ESSER fund, and scholarship endowment fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to

continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, and pension and other post-employment benefit schedules* 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual financial statement and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards GAAS. In our opinion, the combining and individual financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2023 on our consideration of the School 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 the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
New Philadelphia, Ohio
February 28, 2023

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Sandusky City School District
Erie County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

The discussion and analysis of the Sandusky City School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- Net position increased \$7,697,094 from the 2021 net position.
- Capital assets increased \$4,171,400 during fiscal year 2022.
- During the fiscal year, outstanding debt decreased due to principal payments on matured debt.

Using this Annual Report

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

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the School District, the general, scholarship endowment and ESSER funds are the most significant funds.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2022?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

Sandusky City School District
Erie County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

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

In the *Statement of Net Position* and the *Statement of Activities*, Governmental Activities include the School District's programs and services, including instruction, support services, extracurricular activities, and non-instructional services, i.e., food service operations.

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

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

Proprietary Fund The School District maintains one proprietary internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District's internal service fund accounts for self-insurance of the School District's medical, dental and vision benefits.

Reporting the School District's Fiduciary Responsibilities

The School District acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in custodial funds. The School District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

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The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2022 compared to 2021:

Table 1
Net Position

	Governmental Activities		
	2022	2021	Change
Assets			
Current & Other Assets	\$ 62,199,518	\$ 68,628,616	\$ (6,429,098)
Net Pension/OPEB Asset	3,908,100	3,218,172	689,928
Capital Assets	76,724,046	72,552,646	4,171,400
<i>Total Assets</i>	<u>142,831,664</u>	<u>144,399,434</u>	<u>(1,567,770)</u>
Deferred Outflows of Resources			
Pension & OPEB	13,589,449	11,426,496	2,162,953
<i>Total Deferred Outflows of Resources</i>	<u>13,589,449</u>	<u>11,426,496</u>	<u>2,162,953</u>
Liabilities			
Current & Other Liabilities	7,563,240	10,982,931	(3,419,691)
Long-Term Liabilities:			
Due Within One Year	1,340,845	1,387,063	(46,218)
Due In More Than One Year:			
Pension & OPEB	34,661,254	62,052,639	(27,391,385)
Other Amounts	37,619,604	37,935,505	(315,901)
<i>Total Liabilities</i>	<u>81,184,943</u>	<u>112,358,138</u>	<u>(31,173,195)</u>
Deferred Inflows of Resources			
Property Taxes	19,804,292	20,235,752	(431,460)
Payments in Lieu of Taxes	19,754	19,001	753
Pension & OPEB	32,565,132	8,063,141	24,501,991
<i>Total Deferred Inflows of Resources</i>	<u>52,389,178</u>	<u>28,317,894</u>	<u>24,071,284</u>
Net Position			
Net Investment in Capital Assets	43,232,957	45,137,012	(1,904,055)
Restricted	22,842,484	18,763,417	4,079,067
Unrestricted	(43,228,449)	(48,750,531)	5,522,082
<i>Total Net Position</i>	<u>\$ 22,846,992</u>	<u>\$ 15,149,898</u>	<u>\$ 7,697,094</u>

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The net pension liability (NPL) is a significant liability reported by the School District at June 30, 2022, and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement 27*. In a prior period, the School District also adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

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

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

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

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

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded 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. For STRS, the plan's fiduciary net OPEB position was sufficient to cover the plan's total OPEB liability resulting in a net OPEB asset for fiscal year 2022 that is allocated to each school based on its proportionate share. The retirement system is responsible for the administration of the pension and OPEB plans.

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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 reported by the retirement board. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment and vehicles. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is unrestricted.

Cash and investments in segregated accounts decreased as a result of fluctuations in the market. Intergovernmental receivable decreased significantly during the year primarily as a result of the School District receiving the majority of what was remaining of its construction related grant from Ohio Facilities Construction Commission (OFCC).

Current and other liabilities decreased significantly during the fiscal year. In the prior year the School District had large outstanding contracts and retainage payables related to a construction project. The project was completed and placed into service during the fiscal year, thus explaining the overall increase in capital assets.

There was a significant change in net pension/OPEB liability/asset for the School District. These fluctuations are due to changes in the actuarial liabilities/assets and related accruals that are passed through to the School District's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and NPL/NOL/NOA and are described in more detail in their respective notes.

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Sandusky City School District
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(Unaudited)

Table 2 shows the changes in net position for fiscal year 2022 and 2021.

Table 2
Changes in Net Position

	Governmental Activities		
	2022	2021	Change
Revenues			
<i>Program Revenues</i>			
Charges for Services	\$ 2,112,102	\$ 2,857,356	\$ (745,254)
Operating Grants	12,256,249	18,426,233	(6,169,984)
Capital Grants	25,822	1,925	23,897
<i>Total Program Revenues</i>	<u>14,394,173</u>	<u>21,285,514</u>	<u>(6,891,341)</u>
General Revenues			
Property Taxes	24,459,852	23,120,014	1,339,838
Grants & Entitlements	22,081,926	23,005,519	(923,593)
Payments in Lieu of Taxes	157,268	55,429	101,839
Other	945,761	1,003,797	(58,036)
<i>Total General Revenues</i>	<u>47,644,807</u>	<u>47,184,759</u>	<u>460,048</u>
<i>Total Revenues</i>	<u>62,038,980</u>	<u>68,470,273</u>	<u>(6,431,293)</u>
Program Expenses			
Instruction:			
Regular	18,007,851	28,705,112	(10,697,261)
Special	9,443,033	10,579,722	(1,136,689)
Vocational	1,594,382	1,750,930	(156,548)
Adult/Continuing	1,431,632	1,670,834	(239,202)
Other	793	-	793
Support Services:			
Pupils	3,200,817	4,099,163	(898,346)
Instructional Staff	1,867,911	2,220,080	(352,169)
Board of Education	305,498	159,203	146,295
Administration	3,477,906	4,101,182	(623,276)
Fiscal	840,232	845,024	(4,792)
Business	351,203	483,450	(132,247)
Operation and Maintenance of Plant	4,298,728	4,418,791	(120,063)
Pupil Transportation	2,621,630	1,712,788	908,842
Central	1,029,747	1,127,368	(97,621)
Operation of Non-Instructional/Shared Services:			
Food Service Operations	1,844,404	1,590,486	253,918
Community Services	1,169,200	1,340,329	(171,129)
Extracurricular Activities	1,473,162	996,690	476,472
Debt Service:			
Interest and Fiscal Charges	1,383,757	1,370,984	12,773
<i>Total Expenses</i>	<u>54,341,886</u>	<u>67,172,136</u>	<u>(12,830,250)</u>
<i>Change in Net Position</i>	7,697,094	1,298,137	6,398,957
<i>Net Position Beginning of Year</i>	<u>15,149,898</u>	<u>13,851,761</u>	<u>1,298,137</u>
<i>Net Position End of Year</i>	<u>\$ 22,846,992</u>	<u>\$ 15,149,898</u>	<u>\$ 7,697,094</u>

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Charges for services decreased due to decreases in tuition received from other districts and decreased adult education tuition revenue. Operating grants decreased primarily due to a decrease in utilization of COVID-19 related grants when compared to the prior year. In addition, the School District's investment portfolio fluctuated a result of changes in market value.

Overall, program expenses increased. The changes in program expenses are primarily associated to changes in the School District's proportionate share of the net pension liability, net OPEB liability/asset and related accruals. As previously indicated, these items are explained in detail within their respective notes.

Governmental Funds

The governmental funds are accounted for using the modified accrual basis of accounting.

	Fund Balance 6/30/2022	Fund Balance 6/30/2021	Increase (Decrease)
General	\$ 10,876,893	\$ 10,648,639	\$ 228,254
ESSER	(1,253,692)	-	(1,253,692)
Scholarship Endowment	10,114,606	10,729,685	(615,079)
Other Governmental	11,545,828	9,414,560	2,131,268
Total	\$ 31,283,635	\$ 30,792,884	\$ 490,751

The general fund's net change in fund balance for fiscal year 2022 was a slight increase.

The ESSER fund's net change in fund balance for fiscal year 2022 was a decrease, which was primarily a result of timing differences in expenses incurred and revenue received.

The scholarship endowment fund's net change in fund balance for fiscal year 2022 was a decrease, which was primarily caused by fair market value adjustment of investments.

General Fund Budgeting Highlights

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

During the course of fiscal year 2022, the School District did amend its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

There were no significant variances to discuss between actual revenues and other financing sources and final budget basis revenues and other financing sources.

The increase between original budget basis revenues and other financing uses and final budget basis revenues and other financing uses is mainly due to the School District overestimation of intergovernmental revenue.

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Management's Discussion and Analysis
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There were no significant variances to discuss between actual expenditures and other financing uses and final budget appropriations and other financing uses.

Regular instruction expenditure was adjusted significantly from original budgeted appropriations as a result of an overestimation. Advances out was increased from original budget when year-end advances became apparent. There were no additional significant variances to discuss between final budget appropriations and other financing uses and original budget appropriations and other financing uses.

Capital Assets and Debt Administration

Capital Assets

The increase in capital assets was attributable to a portion of the OFCC project being completed and placed into service. See Note 9 for more information about the capital assets of the School District.

Debt

There were no significant changes in the School Districts debt other than payments of scheduled principal. See Note 10 for additional details.

Current Issues

The Board of Education and administration closely monitor revenues and expenditures. The financial future of the School District relies heavily on the State's educational funding system. This funding system changes after each election. Due to the ever changing school funding system and the current pandemic management is required to plan carefully to provide the resources to meet student needs into the future. The School District has challenges locally as well; property tax revenue fluctuates greatly from refunds, delinquencies and decreased taxable values. Losses of tangible personal property tax and reimbursement from the State will continue to place a financial strain on the School District.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Yvonne Anderson, Treasurer of the Sandusky City School District, 407 Decatur Street, Sandusky, OH 44870 or yanderson@scs-k12.net.

Sandusky City School District
Erie County, Ohio
Statement of Net Position
June 30, 2022

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$ 23,675,810
Cash and Investments in Segregated Accounts	10,842,965
Accounts Receivable	203,101
Intergovernmental Receivable	3,578,222
Taxes Receivable	23,899,420
Net OPEB Asset	3,908,100
Non-Depreciable Capital Assets	3,679,575
Depreciable Capital Assets, net	73,044,471
<i>Total Assets</i>	142,831,664
Deferred Outflows of Resources	
Pension	12,227,987
OPEB	1,361,462
<i>Total Deferred Outflows of Resources</i>	13,589,449
Liabilities	
Accounts Payable	761,636
Accrued Wages and Benefits	4,709,149
Contracts Payable	33,157
Intergovernmental Payable	881,395
Accrued Interest Payable	169,384
Claims Payable	895,406
Matured Compensated Absences Payable	113,113
Long-Term Liabilities:	
Due Within One Year	1,340,845
Due In More Than One Year:	
Net Pension Liability	30,872,447
Net OPEB Liability	3,788,807
Other Amounts Due in More Than One Year	37,619,604
<i>Total Liabilities</i>	81,184,943
Deferred Inflows of Resources	
Property Taxes Levied for the Next Year	19,804,292
Payments in Lieu of Taxes	19,754
Pension	25,505,907
OPEB	7,059,225
<i>Total Deferred Inflows of Resources</i>	52,389,178
Net Position	
Net Investment in Capital Assets	43,232,957
Restricted for:	
Capital Outlay	5,411,704
Debt Service	2,113,862
Scholarships	
Restricted - Expendable	72,438
Restricted - Nonexpendable	10,042,168
Perpetual Care	
Restricted - Expendable	11,240
Restricted - Nonexpendable	126,459
Other Purposes	5,064,613
Unrestricted	(43,228,449)
<i>Total Net Position</i>	\$ 22,846,992

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2022

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction:					
Regular	\$ 18,007,851	\$ 91,682	\$ 2,067,609	\$ 22,229	\$ (15,826,330)
Special	9,443,033	352,622	1,715,403	-	(7,375,008)
Vocational	1,594,382	-	22,473	-	(1,571,909)
Adult/Continuing	1,431,632	1,183,556	98,521	-	(149,555)
Other	793	-	-	-	(793)
Support Services:					
Pupils	3,200,817	-	2,130,391	-	(1,070,426)
Instructional Staff	1,867,911	-	611,901	-	(1,256,010)
Board of Education	305,498	-	-	-	(305,498)
Administration	3,477,906	-	391,419	-	(3,086,487)
Fiscal	840,232	-	4,798	700	(834,734)
Business	351,203	-	(432,934)	-	(784,137)
Operation and Maintenance of Plant	4,298,728	1,112	493,961	-	(3,803,656)
Pupil Transportation	2,621,630	-	1,311,286	1,268	(1,309,076)
Central	1,029,747	-	184,854	1,177	(843,716)
Operation of Non-Instructional/Shared Services:					
Food Service Operations	1,844,404	69,199	2,526,522	-	751,317
Community Services	1,169,200	-	1,033,909	-	(135,291)
Extracurricular Activities	1,473,162	413,931	96,136	448	(962,648)
Debt Service:					
Interest and Fiscal Charges	1,383,757	-	-	-	(1,383,757)
<i>Total</i>	<u>\$ 54,341,886</u>	<u>\$ 2,112,102</u>	<u>\$ 12,256,249</u>	<u>\$ 25,822</u>	<u>\$(39,947,713)</u>

General Revenues

Property Taxes Levied for:	
General Purposes	21,372,060
Debt Service	1,942,921
Capital Outlay	904,403
Classroom Maintenance	240,468
Grants and Entitlements not Restricted to Specific Programs	22,081,926
Payments in Lieu of Taxes	157,268
Investment Earnings	11,730
Miscellaneous	934,031
<i>Total General Revenues</i>	<u>47,644,807</u>
<i>Change in Net Position</i>	7,697,094
<i>Net Position Beginning of Year</i>	<u>15,149,898</u>
<i>Net Position End of Year</i>	<u>\$ 22,846,992</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Balance Sheet
Governmental Funds
June 30, 2022

	General	ESSER Fund	Scholarship Endowment Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 10,107,335	\$ 794,354	\$ 3,568,758	\$ 9,205,363	\$ 23,675,810
Cash and Investments in Segregated Accounts	-	-	6,545,848	3,206,248	9,752,096
Accounts Receivable	24,146	-	-	22,833	46,979
Interfund Receivable	2,218,657	-	-	-	2,218,657
Intergovernmental Receivable	444,952	1,253,692	-	1,879,578	3,578,222
Taxes Receivable	20,888,224	-	-	3,011,196	23,899,420
<i>Total Assets</i>	<u>\$ 33,683,314</u>	<u>\$ 2,048,046</u>	<u>\$ 10,114,606</u>	<u>\$ 17,325,218</u>	<u>\$ 63,171,184</u>
Liabilities					
Accounts Payable	\$ 361,306	\$ 125,366	-	\$ 267,467	\$ 754,139
Accrued Wages and Benefits	4,030,729	133,416	-	545,004	4,709,149
Contracts Payable	-	-	-	33,157	33,157
Intergovernmental Payable	753,093	24,111	-	104,191	881,395
Interfund Payable	-	1,765,153	-	453,504	2,218,657
Matured Compensated Absences Payable	103,001	-	-	10,112	113,113
<i>Total Liabilities</i>	<u>5,248,129</u>	<u>2,048,046</u>	<u>-</u>	<u>1,413,435</u>	<u>8,709,610</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	17,309,059	-	-	2,495,233	19,804,292
Payments in Lieu of Taxes	19,754	-	-	-	19,754
Unavailable Revenue	229,479	1,253,692	-	1,870,722	3,353,893
<i>Total Deferred Inflows of Resources</i>	<u>17,558,292</u>	<u>1,253,692</u>	<u>-</u>	<u>4,365,955</u>	<u>23,177,939</u>
Fund Balances					
Nonspendable	40,039	-	10,042,168	126,459	10,208,666
Restricted	-	-	72,438	12,293,185	12,365,623
Assigned	5,222,962	-	-	26,673	5,249,635
Unassigned	5,613,892	(1,253,692)	-	(900,489)	3,459,711
<i>Total Fund Balance</i>	<u>10,876,893</u>	<u>(1,253,692)</u>	<u>10,114,606</u>	<u>11,545,828</u>	<u>31,283,635</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 33,683,314</u>	<u>\$ 2,048,046</u>	<u>\$ 10,114,606</u>	<u>\$ 17,325,218</u>	<u>\$ 63,171,184</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2022

Total Governmental Fund Balances		\$ 31,283,635
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		76,724,046
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Intergovernmental	\$ 3,091,333	
Delinquent Property Taxes	<u>262,560</u>	3,353,893
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		344,088
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(169,384)
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset	3,908,100	
Deferred Outflows - Pension	12,227,987	
Deferred Outflows - OPEB	1,361,462	
Net Pension Liability	(30,872,447)	
Net OPEB Liability	(3,788,807)	
Deferred Inflows - Pension	(25,505,907)	
Deferred Inflows - OPEB	<u>(7,059,225)</u>	(49,728,837)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(31,125,000)	
Unamortized Bond Premium	(2,588,312)	
Capital Appreciation Bonds	(243,509)	
Accretion of Interest - Capital Appreciation Bonds	(797,491)	
Compensated Absences	<u>(4,206,137)</u>	<u>(38,960,449)</u>
<i>Net Position of Governmental Activities</i>		<u>\$ 22,846,992</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	General	ESSER Fund	Scholarship Endowment Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Local Taxes	\$ 21,502,117	\$ -	\$ -	\$ 3,109,781	\$ 24,611,898
Intergovernmental	21,894,181	3,979,174	-	11,391,652	37,265,007
Investment Income	27,331	-	(640,098)	(603)	(613,370)
Tuition and Fees	1,596,680	-	-	-	1,596,680
Extracurricular Activities	60,148	-	-	345,004	405,152
Charges for Services	-	-	-	82,254	82,254
Rent	28,016	-	-	-	28,016
Contributions and Donations	44,177	-	146,220	481,409	671,806
Payments in Lieu of Taxes	155,143	-	-	2,125	157,268
Miscellaneous	901,550	-	-	1,663	903,213
<i>Total Revenues</i>	<u>46,209,343</u>	<u>3,979,174</u>	<u>(493,878)</u>	<u>15,413,285</u>	<u>65,107,924</u>
Expenditures					
Current:					
Instruction:					
Regular	17,378,729	959,744	-	945,995	19,284,468
Special	8,907,694	-	-	1,556,864	10,464,558
Vocational	1,740,595	-	-	26,470	1,767,065
Adult/Continuing	1,507,395	-	-	134,730	1,642,125
Other	793	-	-	-	793
Support Services:					
Pupils	2,068,711	986,992	-	561,810	3,617,513
Instructional Staff	1,277,011	36,446	-	749,345	2,062,802
Board of Education	305,498	-	-	-	305,498
Administration	3,643,658	192,415	-	91,245	3,927,318
Fiscal	830,960	-	-	59,387	890,347
Business	195,546	939	121,201	57,072	374,758
Operation and Maintenance of Plant	4,053,674	269,769	-	55,209	4,378,652
Pupil Transportation	1,819,658	824,341	-	32,840	2,676,839
Central	880,344	19,000	-	222,943	1,122,287
Operation of Non-Instructional/Shared Services:					
Food Service Operations	-	-	-	1,939,470	1,939,470
Community Services	170,215	-	-	1,005,381	1,175,596
Extracurricular Activities	1,201,383	-	-	358,179	1,559,562
Capital Outlay	30,043	1,943,220	-	3,764,543	5,737,806
Debt Service					
Principal Retirement	-	-	-	502,652	502,652
Interest and Fiscal Charges	-	-	-	1,217,882	1,217,882
<i>Total Expenditures</i>	<u>46,011,907</u>	<u>5,232,866</u>	<u>121,201</u>	<u>13,282,017</u>	<u>64,647,991</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>197,436</u>	<u>(1,253,692)</u>	<u>(615,079)</u>	<u>2,131,268</u>	<u>459,933</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	30,818	-	-	-	30,818
<i>Net Change in Fund Balances</i>	228,254	(1,253,692)	(615,079)	2,131,268	490,751
<i>Fund Balances Beginning of Year</i>	<u>10,648,639</u>	<u>-</u>	<u>10,729,685</u>	<u>9,414,560</u>	<u>30,792,884</u>
<i>Fund Balances End of Year</i>	<u>\$ 10,876,893</u>	<u>\$ (1,253,692)</u>	<u>\$ 10,114,606</u>	<u>\$ 11,545,828</u>	<u>\$ 31,283,635</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2022*

Net Change in Fund Balances - Total Governmental Funds	\$	490,751
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 5,407,907	
Current Year Depreciation	<u>(1,194,037)</u>	4,213,870
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(42,470)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Intergovernmental	(2,948,535)	
Property Taxes	<u>(152,046)</u>	(3,100,581)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	375,000	
Capital Appreciation Bonds	127,652	
Accreted Interest	<u>197,348</u>	700,000
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	1,414	
Amortization of Premium on Bonds	<u>189,365</u>	190,779
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	4,374,095	
OPEB	<u>110,004</u>	4,484,099
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	893,925	
OPEB	<u>364,251</u>	1,258,176
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		29,716
Some expenses reported in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences		26,756
Accretion on capital appreciation bonds is an expenditure in the governmental funds, but is allocated as an expense over the life of the bonds in the statement of activities.		<u>(554,002)</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u>7,697,094</u>
See accompanying notes to the basic financial statements.		

Sandusky City School District
Erie County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 19,840,934	\$ 20,445,424	\$ 20,445,424	\$ -
Intergovernmental	27,083,540	21,580,990	21,580,990	-
Investment Income	50,000	29,127	27,331	(1,796)
Tuition and Fees	516,911	632,579	632,579	-
Charges for Services	9,466	-	-	-
Rent	13,682	27,150	27,150	-
Contributions and Donations	3,683	4,656	4,656	-
Payments in Lieu of Taxes	18,865	53,673	53,673	-
Miscellaneous	34,935	208,367	208,355	(12)
<i>Total Revenues</i>	<u>47,572,016</u>	<u>42,981,966</u>	<u>42,980,158</u>	<u>(1,808)</u>
Expenditures				
Current:				
Instruction:				
Regular	25,525,098	17,633,705	17,633,705	-
Special	8,357,369	8,940,171	8,940,171	-
Vocational	1,545,360	1,859,966	1,859,966	-
Student Intervention Services	100,085	-	-	-
Support Services:				
Pupils	2,449,633	2,147,257	2,147,257	-
Instructional Staff	1,747,447	1,246,324	1,246,324	-
Board of Education	319,835	319,453	319,453	-
Administration	3,561,698	3,733,210	3,733,210	-
Fiscal	848,404	837,678	837,678	-
Business	185,239	192,158	192,158	-
Operation and Maintenance of Plant	3,631,192	4,100,183	4,100,183	-
Pupil Transportation	1,744,811	1,765,535	1,765,535	-
Central	718,635	878,035	878,035	-
Operation of Non-Instructional/Shared Services:				
Community Services	187,541	158,912	158,912	-
Extracurricular Activities	999,483	1,063,488	1,063,488	-
Capital Outlay	16,208	40,000	40,000	-
<i>Total Expenditures</i>	<u>51,938,038</u>	<u>44,916,075</u>	<u>44,916,075</u>	<u>-</u>
<i>Excess of Receipts Over (Under) Expenditures</i>	<u>(4,366,022)</u>	<u>(1,934,109)</u>	<u>(1,935,917)</u>	<u>(1,808)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	25,208	30,818	30,818	-
Refund of Prior Year Expenditures	456,012	538,082	539,716	1,634
Refund of Prior Year Receipts	(2,500)	-	-	-
Other Financing Uses	(3,250)	(562)	(562)	-
Advances In	694,913	-	-	-
Advances Out	-	(2,290,855)	(2,293,884)	(3,029)
<i>Total Other Financing Sources (Uses)</i>	<u>1,170,383</u>	<u>(1,722,517)</u>	<u>(1,723,912)</u>	<u>(1,395)</u>
<i>Net Change in Fund Balance</i>	<u>(3,195,639)</u>	<u>(3,656,626)</u>	<u>(3,659,829)</u>	<u>(3,203)</u>
<i>Fund Balance Beginning of Year</i>	<u>12,580,854</u>	<u>12,580,854</u>	<u>12,580,854</u>	<u>-</u>
Prior Year Encumbrances Appropriated	293,788	293,788	293,788	-
<i>Fund Balance End of Year</i>	<u>\$ 9,679,003</u>	<u>\$ 9,218,016</u>	<u>\$ 9,214,813</u>	<u>\$ (3,203)</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
ESSER Fund
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 6,788,191	\$ 3,997,239	\$ 3,416,243	\$ (580,996)
<i>Total Revenues</i>	<u>6,788,191</u>	<u>3,997,239</u>	<u>3,416,243</u>	<u>(580,996)</u>
Expenditures				
Current:				
Instruction:				
Regular	2,205,836	1,134,633	1,134,633	-
Support Services:				
Pupils	611,753	996,286	996,286	-
Instructional Staff	-	610,000	40,946	-
Administration	190,401	130,783	130,783	-
Business	-	4,028	4,028	-
Operation and Maintenance of Plant	44,014	470,484	470,484	-
Pupil Transportation	943,153	824,605	824,605	-
Central	150,000	33,166	33,166	-
Operation of Non-Instructional/Shared Services:				
Community Services	1,209	5,500	5,500	-
Extracurricular Activities	618,212	-	-	-
Capital Outlay	<u>2,075,739</u>	<u>1,943,220</u>	<u>1,943,220</u>	<u>-</u>
<i>Total Expenditures</i>	<u>6,840,317</u>	<u>6,152,705</u>	<u>5,583,651</u>	<u>-</u>
<i>Excess of Receipts Over (Under) Expenditures</i>	<u>(52,126)</u>	<u>(2,155,466)</u>	<u>(2,167,408)</u>	<u>(11,942)</u>
Other Financing Sources (Uses)				
Refund of Prior Year Receipts	-	(169,993)	(169,993)	-
Advances In	-	1,765,153	1,765,153	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>1,595,160</u>	<u>1,595,160</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	<u>(52,126)</u>	<u>(560,306)</u>	<u>(572,248)</u>	<u>(11,942)</u>
<i>Fund Balance Beginning of Year</i>	531,931	531,931	531,931	-
Prior Year Encumbrances Appropriated	<u>40,317</u>	<u>40,317</u>	<u>40,317</u>	<u>-</u>
<i>Fund Balance End of Year</i>	<u>\$ 520,122</u>	<u>\$ 11,942</u>	<u>\$ -</u>	<u>\$ (11,942)</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Non-GAAP Basis)
Scholarship Endowment Fund
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment Income	\$ 181,875	\$ 186,023	\$ (640,098)	\$ (826,121)
Contributions and Donations	-	2,446,220	146,220	(2,300,000)
<i>Total Revenues</i>	<u>181,875</u>	<u>2,632,243</u>	<u>(493,878)</u>	<u>(3,126,121)</u>
Expenditures				
Current:				
Support Services:				
Business	130,030	121,201	121,201	-
<i>Total Expenditures</i>	<u>130,030</u>	<u>121,201</u>	<u>121,201</u>	<u>-</u>
<i>Excess of Receipts Over (Under) Expenditures</i>	<u>51,845</u>	<u>2,511,042</u>	<u>(615,079)</u>	<u>(3,126,121)</u>
 <i>Net Change in Fund Balance</i>	 51,845	 2,511,042	 (615,079)	 (3,126,121)
<i>Fund Balance Beginning of Year</i>	10,729,655	10,729,655	10,729,655	-
Prior Year Encumbrances Appropriated	30	30	30	-
<i>Fund Balance End of Year</i>	<u>\$ 10,781,530</u>	<u>\$ 13,240,727</u>	<u>\$ 10,114,606</u>	<u>\$ (3,126,121)</u>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Fund Net Position
Proprietary Fund
June 30, 2022

	Governmental Activities	
	Internal Service Fund	
Assets		
<i>Current Assets:</i>		
Cash and Investments in Segregated Accounts	\$ 1,090,869	
Accounts Receivable	156,122	
<i>Total Current Assets</i>	1,246,991	
 <i>Current Liabilities:</i>		
Accounts Payable	7,497	
Claims Payable	895,406	
<i>Total Current Liabilities</i>	902,903	
 Net Position		
Unrestricted	344,088	
Total Net Position	\$ 344,088	

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2022

	Governmental Activities
	Internal Service Fund
Operating Revenues	
Charges for Services	\$ 7,070,226
Other	479,758
<i>Total Operating Revenues</i>	<i>7,549,984</i>
Operating Expenses	
Purchased Services	813,923
Materials and Supplies	3,529
Claims	7,550,742
Other	62,492
<i>Total Operating Expenses</i>	<i>8,430,686</i>
<i>Operating Income (Loss)</i>	<i>(880,702)</i>
Non-Operating Revenues (Expenses)	
Other	909,599
Interest	819
<i>Total Non-Operating Revenues (Expenses)</i>	<i>910,418</i>
<i>Change in Net Position</i>	<i>29,716</i>
<i>Net Position Beginning of Year</i>	<i>314,372</i>
<i>Net Position End of Year</i>	<i>\$ 344,088</i>

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2022

	Governmental Activities
	Internal Service Fund
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 7,070,226
Other Cash Receipts	415,339
Cash Payments to Suppliers for Goods and Services	(989,143)
Cash Payments for Claims	(7,330,901)
Other Cash Payments	(62,492)
<i>Net Cash Provided by (Used for) Operating Activities</i>	(896,971)
Cash Flows from Noncapital Financing Activities	
Other Cash Receipts	909,599
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	909,599
Cash Flows from Investing Activities	
Interest	819
<i>Net Cash Provided by Investing Activities</i>	819
<i>Net Increase (Decrease) in Cash and Investments</i>	13,447
<i>Cash and Investments Beginning of Year</i>	1,077,422
<i>Cash and Investments End of Year</i>	\$ 1,090,869
 Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income (Loss)	\$ (880,702)
Adjustments:	
(Increase) Decrease in Assets and Deferred Outflows:	
Accounts Receivable	(64,419)
Increase (Decrease) in Liabilities and Deferred Inflows:	
Accounts Payable	(171,691)
Claims Payable	219,841
<i>Net Cash Provided by (Used For) Operating Activities</i>	\$ (896,971)

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Custodial
Assets	
Equity in Pooled Cash and Investments	\$ 50,493
Taxes Receivable	658,146
<i>Total Assets</i>	708,639
Deferred Inflows of Resources	
Property Taxes Levied for the Next Year	545,373
<i>Total Deferred Inflows of Resources</i>	545,373
Net Position	
Restricted for Individuals, Organizations, and Other Governments	163,266
<i>Total Net Position</i>	\$ 163,266

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2022

	Custodial
Additions	
Extracurricular Amounts Collected for Other Governments	\$ 16,050
Property Tax Collections for Other Governments	678,289
State Funds Collected for Other Governments	68,411
<i>Total Additions</i>	762,750
Deductions	
Extracurricular Distributions to Other Governments	1,019
Property Tax Distributions to Other Governments	650,322
Distributions of State Funds to Other Governments	69,114
<i>Total Deductions</i>	720,455
<i>Change in Net Position</i>	42,295
<i>Net Position Beginning of Year</i>	120,971
<i>Net Position End of Year</i>	\$ 163,266

See accompanying notes to the basic financial statements.

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – NATURE OF BASIC OPERATIONS AND DESCRIPTION OF THE ENTITY

The Sandusky City School District (the “School District”) is located in northern Erie County and is within the corporate boundaries of the City of Sandusky, which lies on the shores of Sandusky Bay and Lake Erie. The School District serves an area of approximately 15 square miles.

The School District is organized under Sections 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five member elected at large for staggered four-year terms.

The reporting entity has been defined in accordance with the appropriate GASB Statement. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s Governing Board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can assume the responsibility of finance the deficits of, or provide financial support to, the organization’s resources; or (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that the exclusion by the primary government would render the primary governments financial statements incomplete or misleading. Based upon the application of these criteria, the School District has no component units. The basic financial statements of the reporting entity include only those of the School District (the primary government).

The following organizations are described due to their relationship to the School District:

Jointly Governed Organization - Northern Ohio Education Computer Association (NOECA) – The School District participated in NOECA, a computer consortium. NOECA is an association made up of various public school districts formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The NOECA Board of Directors consists of representatives from each county in which participating school districts are located, the chairman of each of the operating committees and a representative from the fiscal agent. Financial information can be obtained from the Director, 219 Howard Drive, Sandusky, Ohio 44870.

Public Entity Risk Pool – Workers’ Compensation – The School District participates in a group rating plan for workers’ compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group purchasing pool.

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

The Executive Director of the OASBO, or his designee, serves as coordinator of the GRP. Each year, the participating school district pays an enrollment fee to the GRP to cover the costs of administering the program.

Related Organization - Sandusky Library Association - The Sandusky Library Association is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Sandusky Library Association at 114 W. Adams Street, Sandusky, Ohio 44870.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District have been prepared in conformity with 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 School District's significant accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements usually distinguish between those activities of the School District that are governmental (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

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

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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

B. Fund Accounting

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

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

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

ESSER Fund – This fund accounts for Federal funds for expenditures directly related to the coronavirus (COVID-19) pandemic as well as other activities that are necessary to maintain the operation of continuity of services.

Scholarship Endowment – This fund accounts for monies set aside from endowments for scholarships for students enrolled in the School District. The income from such a fund may be expended, but the principal must remain intact.

The other governmental funds of the School District are used to account for (a) the accumulation of the resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities; and (c) for the grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds Proprietary funds are used to account for the School District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The School District has no enterprise funds. The following is a description of the School District's internal service fund:

Internal Service Fund – The internal service fund is used to account for the financing of good or services provided by one department or agency to other departments or agencies of the School District, or to the other governments, on a cost-reimbursement basis. The internal service fund of the School District accounts for a self-insurance program which provides medical, dental and vision benefits to employees.

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Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into two classifications: private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that has certain characteristics. The School District does not have a private purpose trust fund. Custodial Funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The School District's fiduciary funds are custodial funds. Custodial funds are used to account for assets held by the School District as fiscal agent for athletic tournaments and the Sandusky Library Association.

C. Measurement Focus

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

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

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the fund are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its internal service fund activity.

The custodial funds are reported using the economic resources measurement focus.

D. Basis of Accounting

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

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

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Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/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 assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources includes pension and other post-employment benefits. These amounts are reported on the government-wide statement of net position. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

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 assets that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, revenue in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes and revenue in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2022, but which were levied to finance fiscal year 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes and grants and entitlements. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities. 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).

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

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

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E. Cash and Investments

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

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value. For the fiscal year 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements and non-negotiable certificates of deposit, are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2022 amounted to \$27,331 with \$8,121 being assigned from other School District funds.

While common stock is not an allowable investment according to Ohio Statute, the School District has been endowed with gifts of stock to its special revenue fund. No public funds were used to acquire the stock. At the time the common stock was endowed to the School District its value was \$5,496,360. The amount of common stock available for expenditure is reported in net position available in trust for scholarships on the statement of fiduciary net position. A committee has been created to authorize the spending of the investment income.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as "equity in pooled cash and investments." Investments with an original maturity of more than three months that are not made from the pool are reported as "investments."

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and expenditure/expense is reported in the year in which services are consumed.

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G. Capital Assets

The School District's only capital assets are general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

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

All reported capital assets except 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 over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	25 Years
Buildings and Improvements	25-100 Years
Furniture and Equipment	3-20 Years
Vehicles	5-15 Years

H. Interfund Activity

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them are reported as "due to/due from other funds." These amounts are eliminated in the governmental columns of the Statement of Net Position.

I. Compensated Absences

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

In accordance with the provisions of GASB Statement No. 16 *Accounting for Compensated Absences*, a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as a cash payment at termination or retirement. A liability for Certified staff sick leave is based on a policy whereby an employee who was hired prior to July 1, 1989 is compensated upon retirement for the greater of (1) sixty five (65) days of sick leave pay regardless of the employee's sick leave balance, or (2) 25 percent of accrued but unused sick leave up to a maximum of 75 days, plus 10 percent of all unused sick leave over 300 days. Employees hired on or after July 1, 1989 are eligible for sick leave pay only as in (2) above. A liability for classified staff sick leave is based on a policy whereby 25 percent of accrued but unused sick leave up to a maximum of 75 days, plus 10 percent of all unused sick leave over 300 days is compensated. This liability exists for employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future.

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The School District has entered into a First Opportunity Retirement Incentive (FORI) whereby, upon election, a Classified employee reaching their first year of retirement eligibility (with a minimum age of 60 years or 30 or more years of service with a minimum of five (5) years in district employment) is entitled to receive an additional 30 days of sick leave pay or 12 percent of their unused sick leave balance, whichever is greater. A Certified employee reaching their first year of retirement eligibility (with a minimum age of 65 years or 31 or more years of service with a minimum of five (5) years in district employment) is entitled to receive an additional 30 days of sick leave pay or 12 percent of their unused sick leave balance whichever is greater. The corresponding liability for the FORI has been recorded for employees who have elected to retire under the terms of the FORI and is reported as a component of “future retirement obligation” in the governmental fund balance sheet and as a component of long-term liabilities in the statement of net position. Amounts for FORI represent liabilities at June 30, 2022 on the fund financial statements.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2022 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements. On the governmental fund statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the funds from which the employee will be paid.

J. Pensions and Other Postemployment Benefits (OPEB)

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

K. Accrued Liabilities and Long-Term Obligations

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

L. Bond Premiums

In the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium.

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On the governmental fund financial statements, bond premiums are recognized in the period in which debt is issued. The face amount of the debt issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources.

M. Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the School District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

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

Committed – Fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

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N. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At June 30, 2022, none of the School District's net position was restricted by enabling legislation.

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

O. Parochial Schools

Within the School District boundaries, St. Mary's, Saints Peter and Paul and Holy Angels Elementary Schools and St. Mary's Central Catholic High School are operated through the Toledo Catholic Diocese. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial school. These activities are reported as a governmental activity of the School District.

P. Interfund Activity

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

Q. Operating Revenues and Expenses

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

R. Estimates

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

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S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2022.

T. Budgetary Data

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

The Certificate of Estimated Resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect when the final appropriations were passed.

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

U. Implementation of New Accounting Principles

For the fiscal year ended June 30, 2022, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, GASB Statement No. 92, *Omnibus 2020*, certain provisions of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, and certain provisions in GASB Statement No. 99, *Omnibus 2022*.

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The implementation of GASB Statement No. 87 did not have an effect on the financial statements of the School District.

GASB Statement No. 92 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The implementation of GASB Statement No. 92 did not have an effect on the financial statements of the School District.

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GASB Statement No. 97 requirements that are related to a) the accounting and financial reporting for Section 457 plans and b) determining whether a primary government is financially accountable for a potential component unit were implemented for fiscal year 2022. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the School District.

GASB Statement No. 99 enhances comparability in the application of accounting and financial reporting requirements and will improve consistency of authoritative literature. The implementation of certain provisions of GASB Statement No. 99 did not have an effect on the financial statements of the School District.

NOTE 3 – ACCOUNTABILITY

Fund balances at June 30, 2022 included the following individual fund deficits:

	Deficit
<i>Major Governmental Funds</i>	
ESSER	\$ 1,253,692
<i>Non-Major Governmental Funds</i>	
Public School Preschool	39,087
Title VI-B	179,741
Title VI-B	2,498
Vocational Education	36,731
Title I School Improvement	4,836
Title I	464,433
Title IV-A	30,741
IDEA Preschool Grant for the Handicapped	8,449
Improving Teachers Quality	32,176
Miscellaneous Federal Grants	101,797
Total	\$ 2,154,181

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

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3. Encumbrances are treated as expenditures (budget) rather than as assigned or committed fund balance (GAAP).
4. Some funds are included in the general fund, (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement on a fund type basis for the general fund.

Net Change in Fund Balance		
	General	ESSER
GAAP Basis	\$ 228,254	\$ (1,253,692)
Net Adjustment for Revenue Accruals	(1,205,160)	1,202,222
Net Adjustment for Expenditure Accruals	(3,265,989)	(1,315,132)
Funds Budgeted Elsewhere**	141,531	-
Adjustment for Encumbrances	441,535	794,354
Budget Basis	<u>\$ (3,659,829)</u>	<u>\$ (572,248)</u>

** As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*, certain funds that are legally budgeted in separate special revenue funds is considered part of the general fund on a GAAP basis. This includes the unclaimed money, adult education, rotary and public school support funds.

NOTE 5 – DEPOSITS AND INVESTMENTS

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

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

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

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

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

- 1) United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
- 2) Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- 3) Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- 4) Bonds and any other obligations of the State of Ohio;
- 5) No-load money market mutual funds consisting exclusively of obligations described in terms (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- 6) The State Treasurer's investment pool (STAR Ohio);
- 7) Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred and eighty days and two hundred and seventy days, respectively, from the purchase date in any amount not to exceed 40 percent of the interim monies available for investment at any one time; and
- 8) Under limited circumstances, corporate debt interests rated in either of the two highest rating 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 taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

At year-end, \$15,316,431 of the School District's bank balance of \$15,827,333 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions' trust department in the School District's name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

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Erie County, Ohio
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Segregated Cash

Funds held by the School District for OFCC projects is maintained separately from the School District’s deposits. The carrying amount of the deposits is reported as “Cash and Investments in Segregated Accounts.”

Custodial Credit Risk

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

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

- Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose 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 required the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of June 30, 2022, the School District had the following investments and maturities:

S&P Global Rating	Investment Type	Investment Maturities		
		Measurement Amount	12 Months or Less	Percent of Total
	Net Asset Value (NAV):			
AAAm	STAR Ohio	\$ 9,239,811	\$ 9,239,811	49.22%
N/A	First American Treasury Obligations Fund	2,988,163	2,988,163	15.92%
N/A	Citizens Investments Money Market	708,137	708,137	3.77%
	Fair Value:			
AA - CCC	Stocks	5,837,711	5,837,711	31.09%
		<u>\$ 18,773,822</u>	<u>\$ 18,773,822</u>	<u>100.00%</u>

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District’s recurring fair value measurements as of June 30, 2022. The School District’s investments in stocks are valued using Level 1 inputs. All other School District investments that are measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Interest Rate Risk As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the School District’s investment policy limits investment portfolio maturities to five years or less for investments with a fixed interest rate and two years or less for investments with a variable interest rate.

Credit Risk STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2022, is 35 days. The School District has no investment policy dealing with investment credit risk beyond the requirements in state statutes.

Concentration of Credit Risk The School District places no limit on the amount the School District may invest in any one issuer. The School District’s policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

NOTE 6 – INTERFUND ACTIVITY

Interfund balances at June 30, 2022 consist of the following individual fund receivables and payables:

	Interfund Receivable	Interfund Payable
General Fund	\$ 2,218,657	\$ -
ESSER	-	1,765,153
Other Governmental Funds:		
Vocational Education	-	57,675
IDEA Preschool	-	12,806
Adult Education	-	5,827
Coronavirus Relief	-	4,395
IDEA Part B	-	44,828
ARP IDEA Part B Special Edcation	-	3,879
Title I School Improvement	-	224
Title I	-	179,442
Drug Free School	-	30,741
APR IDEA	-	2,476
Improving Teacher Quality	-	8,287
Miscellaneous Federal Grants	-	102,924
Total	<u>\$ 2,218,657</u>	<u>\$ 2,218,657</u>

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

Sandusky City School District
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Notes to the Basic Financial Statements
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NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Real property taxes received in calendar year 2022 were levied after April 1, 2021, on the assessed value listed as of January 1, 2021, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Public utility real and tangible personal property taxes received in calendar year 2022 became a lien December 31, 2020, were levied after April 1, 2021 and are collected in 2022 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Erie County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2022, are available to finance fiscal year 2022 operations. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2022, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

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

The assessed values upon which the fiscal year 2022 taxes were collected are:

	2021 Second-Half Collections		2022 First-Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 448,323,270	94%	\$ 487,739,590	95%
Public Utility Personal Property	26,302,380	6%	28,018,530	5%
Total Assessed Value	\$ 474,625,650	100%	\$ 515,758,120	100%
Taxrate per \$1,000 of Assessed Value	<u>85.00</u>		<u>84.35</u>	

Sandusky City School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 8 - RECEIVABLES

Receivables at June 30, 2022, consisted of taxes, accounts, intergovernmental, and interfund 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, with the possible exception of accounts receivable related to the School District's adult education services.

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

NOTE 9 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	Balance 6/30/2021	Additions	Reductions	Balance 6/30/2022
Governmental Activities:				
<i>Nondepreciable Capital Assets:</i>				
Land	\$ 3,161,970	\$ 490,592	\$ 0	\$ 3,652,562
Construction in Progress	12,317,130	3,505,714	(15,795,831)	27,013
<i>Total Nondepreciable Capital Assets</i>	<u>15,479,100</u>	<u>3,996,306</u>	<u>(15,795,831)</u>	<u>3,679,575</u>
<i>Depreciable Capital Assets:</i>				
Land Improvements	393,047	0	0	393,047
Buildings and Improvements	65,149,080	16,897,603	0	82,046,683
Furniture and Equipment	4,326,272	224,949	(35,431)	4,515,790
Vehicles	3,036,148	84,880	(127,730)	2,993,298
<i>Total Capital Assets, Being Depreciated</i>	<u>72,904,547</u>	<u>17,207,432</u>	<u>(163,161)</u>	<u>89,948,818</u>
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(260,192)	(11,327)	0	(271,519)
Buildings and Improvements	(10,775,177)	(801,876)	0	(11,577,053)
Furniture and Equipment	(2,739,577)	(199,082)	5,243	(2,933,416)
Vehicles	(2,056,055)	(181,752)	115,448	(2,122,359)
Total Accumulated Depreciation	<u>(15,831,001)</u>	<u>(1,194,037) *</u>	<u>120,691</u>	<u>(16,904,347)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>57,073,546</u>	<u>16,013,395</u>	<u>(42,470)</u>	<u>73,044,471</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$ 72,552,646</u>	<u>\$ 20,009,701</u>	<u>\$(15,838,301)</u>	<u>\$ 76,724,046</u>

Sandusky City School District
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For the Fiscal Year Ended June 30, 2022

* Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular	\$ 894,890
Special	4,410
Vocational	12,473
Adult/Continuing Education	4,682
Support Services:	
Pupils	6,118
Business	270
Operation and Maintenance of Plant	31,592
Pupil Transportation	156,145
Central	26,793
Operation of Non-Instructional Services:	
Food Service Operations	20,365
Community Services	14,757
Extracurricular Activities	<u>21,542</u>
Total Depreciation Expense	<u>\$ 1,194,037</u>

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Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 10 – LONG-TERM OBLIGATIONS

The changes in the School District’s long-term obligations during the fiscal year 2022 were as follows:

	Outstanding 06/30/2021	Additions	Deductions	Outstanding 6/30/2022	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Classroom Facilities Bonds Series 2017-1	\$ 370,000	\$ -	\$ (370,000)	\$ -	\$ -
Classroom Facilities Bonds Series 2017-2	5,000	-	(5,000)	-	-
Classroom Facilities Refunding Bonds Series 2020-1					
Term and Serial Bonds	22,150,000	-	-	22,150,000	-
Capital Appreciation Bonds	254,820	-	(63,749)	191,071	100,212
Accretion on Capital Appreciation Bonds	355,794	409,482	(121,250)	644,026	338,005
Unamortized Premium	2,054,174	-	(114,256)	1,939,918	-
Classroom Facilities Refunding Bonds Series 2020-2					
Term and Serial Bonds	8,975,000	-	-	8,975,000	-
Capital Appreciation Bonds	116,341	-	(63,903)	52,438	26,989
Accretion on Capital Appreciation Bonds	85,043	144,520	(76,098)	153,465	93,101
Unamortized Premium	723,503	-	(75,109)	648,394	-
Total General Obligation Bonds	35,089,675	554,002	(889,365)	34,754,312	558,307
Net Pension/OPEB Liability:					
Net Pension Liability	57,551,261	-	(26,678,814)	30,872,447	-
OPEB Liability	4,501,378	-	(712,571)	3,788,807	-
Total Net Pension/OPEB Liability	62,052,639	-	(27,391,385)	34,661,254	-
Compensated Absences	4,232,893	669,239	(695,995)	4,206,137	782,538
Total Governmental Activities					
Long-Term Liabilities	\$ 101,375,207	\$ 1,223,241	\$ (28,976,745)	\$ 73,621,703	\$ 1,340,845

There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the General Fund and Food Service Fund. For additional information related to the net pension liability and net OPEB liability see Notes 12 and 13.

Compensated absences and the future retirement obligation will be paid from the fund from which the employee is paid. The payments will be made from the general fund and various other governmental funds.

Classroom Facilities Bonds Series 2017-1 Classroom Facilities general obligation bonds were issued for \$24,935,000 on May 9, 2017 and bear an average interest rate of 3.5 percent. The bonds’ purpose is for constructing, furnishing and equipping new elementary school buildings and otherwise constructing, adding to, renovating, remodeling, furnishing, equipping and improving school district buildings and facilities and acquiring, clearing, improving and equipping their sites.

On January 22, 2020, the School District refunded \$22,640,000 of Classroom Facilities Bonds Series 2017-1. The unrefunded bonds mature on November 1, 2022. Principal and interest are paid from the debt service fund.

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Notes to the Basic Financial Statements
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Classroom Facilities Bonds Series 2017-2 Classroom Facilities general obligation bonds were issued for \$9,215,000 on May 9, 2017 and bear an average interest rate of 3.0 percent. The bonds' purpose is for constructing, furnishing and equipping new elementary school buildings and otherwise constructing, adding to, renovating, remodeling, furnishing, equipping and improving school district buildings and facilities and acquiring, clearing, improving and equipping their sites. The bonds mature on November 1, 2037. Principal and interest are paid from the debt service fund.

On November 19, 2020, the School District refunded \$9,095,000 of Classroom Facilities Bonds Series 2017-2. The unrefunded bonds matured on November 1, 2021. Principal and interest are paid from the debt service fund.

Classroom Facilities Refunding Bonds Series 2020 On January 22, 2020, the School District issued \$22,634,051 of general obligation bonds, which consisted of term, serial and capital appreciation bonds. The bonds were issued to partially refund the Series 2017-1 Classroom Facilities Bonds. The bonds were issued for a twenty-eight year period with final maturity at May 1, 2048. The term and serial bonds had an interest rate of 2.97 percent to 3.85 percent.

At the date of refunding, \$24,818,315 (including premium and after underwriting fees, and other issuance costs) was received to pay off old debt. As a result, \$22,640,000 of the Series 2017-1 Classroom Facilities Bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The defeased bonds in the amount of \$22,640,000 were refunded on May 1, 2022.

The bonds were issued with a premium of \$2,184,264, which was reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method. The issuance costs reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$5,000,985. The issuance resulted in an economic gain of \$2,766,538.

The capital appreciation bonds have a final maturity date of November 1, 2031. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as a liability. The final maturity amount of the bonds is \$3,030,000. For fiscal year 2022, \$409,482 was accreted.

Classroom Facilities Refunding Bonds Series 2020 On November 19, 2020, the School District issued \$9,091,341 of general obligation bonds, which consisted of term, serial and capital appreciation bonds. The bonds were issued to partially refund the Series 2017-2 Classroom Facilities Bonds. The bonds were issued for a seventeen year period with final maturity at November 1, 2037. The term and serial bonds had an interest rate of 1.122 percent to 2.8 percent.

At the date of refunding, \$9,814,845 (including premium and after underwriting fees, and other issuance costs) was received to pay off old debt. As a result, \$9,095,000 of the Series 2017-2 Classroom Facilities Bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The defeased bonds in the amount of \$9,095,000 were refunded on May 1, 2022.

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The bonds were issued with a premium of \$723,503, which was reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method. The issuance costs reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$986,339. The issuance resulted in an economic gain of \$790,557.

The capital appreciation bonds have a final maturity date of November 1, 2025. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as a liability. The final maturity amount of the bonds is \$875,000. For fiscal year 2022, \$144,520 was accreted.

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

Fiscal Year Ending June 30,	General Obligation Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Accretion	Principal	Interest/Accretion
2023	\$ -	\$ 1,016,298	\$ 127,201	\$ 537,799	\$ 127,201	\$ 1,554,097
2024	-	1,016,298	66,803	598,197	66,803	1,614,495
2025	-	1,016,298	35,115	669,885	35,115	1,686,183
2026	350,000	1,014,334	8,427	351,573	358,427	1,365,907
2027	535,000	1,008,529	2,827	162,173	537,827	1,170,702
2028-2032	3,315,000	4,885,594	3,136	651,863	3,318,136	5,537,457
2033-2037	4,970,000	4,378,876	-	-	4,970,000	4,378,876
2038-2042	6,180,000	3,530,085	-	-	6,180,000	3,530,085
2043-2047	7,970,000	2,256,157	-	-	7,970,000	2,256,157
2048-2051	7,805,000	613,336	-	-	7,805,000	613,336
Total	<u>\$ 31,125,000</u>	<u>\$ 20,735,805</u>	<u>\$ 243,509</u>	<u>\$ 2,971,490</u>	<u>\$ 31,368,509</u>	<u>\$ 23,707,295</u>

NOTE 11 – RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Settlements have not exceeded coverage in any of the last three fiscal years. There has not been a significant reduction in coverage from the prior year.

B. Health Benefits

The School District has established a risk management fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the risk management fund provides coverage for up to a maximum of \$175,000 for each health benefits claim. The School District purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the School District participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services).

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The claims liability is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, as amended by GASB Statement No. 30 “Risk Financing Omnibus”, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims. The claims liability is expected to be paid in the next fiscal year. Changes in claims activity for the current and previous fiscal years are as follows:

		Beginning Balance	Current Year Claims	Claims Payments	Balance End of Year
2022	\$	675,565	7,550,742	7,330,901	\$ 895,406
2021	\$	524,520	7,163,145	7,012,100	\$ 675,565

C. Workers’ Compensation Rating Program

The School District participates in the Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan (GRP), a public entity risk pool (Note 1). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. Participants in the GRP are placed on tiers according to their loss history. Participants with low loss histories are rewarded with greater savings than participants with higher loss histories. Each participant pays its worker’s compensation premium to the state based on the rate for its tier rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP’s selection criteria. The firm of Comp Management, Inc. provides administrative, cost control, assistance with safety programs and actuarial services to the GRP.

NOTE 12 – DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

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GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires 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 (assets) 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/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

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

The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to Retire before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit 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, may be included in this plan.

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPIW, not to exceed 2.5 percent and with a floor of 0 percent. A three-year COLA suspension was in effect for all benefit recipients for calendar years 2018, 2019, and 2020. SERS approved a 0.5 percent COLA for calendar year 2021.

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Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2022, the allocation to pension, death benefits, and Medicare B was 14.0 percent. SERS did not allocate employer contributions to the Health Care Fund for fiscal year 2022.

The School District's contractually required contribution to SERS was \$1,094,083 for fiscal year 2022. Of this amount, \$89,817 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective August 1, 2017 – July 1, 2019, any member could retire with reduced benefits who had (1) five years of service credit and age 60; (2) 27 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Effective August 1, 2019 – July 1, 2021, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 28 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Eligibility changes will continue to be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for actuarially reduced benefits will be phased in until August 1, 2026, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory employer rate is 14 percent and the statutory member rate is 14 percent of covered payroll. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The 2022 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$3,280,012 for fiscal year 2022. Of this amount, \$573,400 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.19440240%	0.18535703%	
Prior Measurement Date	0.20025030%	0.18311074%	
Change in Proportionate Share	-0.00584790%	0.00224629%	
Proportionate Share of the Net			
Pension Liability	\$ 7,172,885	\$ 23,699,562	\$ 30,872,447
Pension Expense	\$ (482,367)	\$ (411,558)	\$ (893,925)

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period.

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At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 692	\$ 732,202	\$ 732,894
Changes of Assumptions	151,040	6,574,683	6,725,723
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	-	395,275	395,275
School District Contributions Subsequent to the Measurement Date	1,094,083	3,280,012	4,374,095
Total Deferred Outflows of Resources	\$ 1,245,815	\$ 10,982,172	\$ 12,227,987
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 186,022	\$ 148,548	\$ 334,570
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,694,243	20,424,488	24,118,731
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	345,020	707,586	1,052,606
Total Deferred Inflows of Resources	\$ 4,225,285	\$ 21,280,622	\$ 25,505,907

\$4,374,095 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	\$ (1,174,030)	\$ (3,538,633)	\$ (4,712,663)
2024	(887,256)	(2,963,685)	(3,850,941)
2025	(878,358)	(3,126,283)	(4,004,641)
2026	(1,133,909)	(3,949,861)	(5,083,770)
Total	\$ (4,073,553)	\$ (13,578,462)	\$ (17,652,015)

Actuarial Assumptions - SERS

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

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Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2132.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2021, are presented below:

Actuarial Cost Method	Entry Age Normal (Level Percentage of Payroll, Closed)
Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent, net of investment expense, including inflation
COLA or Ad Hoc COLA	2.00 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward two years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward five years and adjusted 103.3 percent for males and set forward three years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

The long-term return expectation for the investments has been determined by 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 an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

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

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00 %	(0.33) %
US Equity	24.75	5.72
Non-US Equity Developed	13.50	6.55
Non-US Equity Emerging	6.75	8.54
Fixed Income/Global Bonds	19.00	1.14
Private Equity	11.00	10.03
Real Estate/Real Assets	16.00	5.41
Multi-Asset Strategies	4.00	3.47
Private Debt/Private Credit	3.00	5.28
Total	<u>100.00 %</u>	

Discount Rate Total pension liability was calculated using the discount rate of 7.00 percent. The discount rate determination does not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 23-year amortization period of the unfunded actuarial accrued liability. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability. The annual money-weighted rate of return, calculated as the internal rate of return on pension plan investments was 28.18 percent.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the School District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net Pension Liability	\$ 11,933,919	\$ 7,172,885	\$ 3,157,697

Actuarial Assumptions - STRS

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

Inflation	2.50 percent
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments	0.00 percent

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

The actuarial assumptions used in the June 30, 2021 valuation, were based on the results of the latest available actuarial experience study, which is for the period July 1, 2011, through June 30, 2016. An actuarial experience study is done on a quinquennial basis.

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	100.00 %	

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

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2021. The projection of cash flows used to determine the discount rate assumes that employer and member contributions will be made at statutory contribution rates of 14 percent each. 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, 2021. Therefore, the long-term expected rate of return on investments of 7.00 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table represents the School District's proportionate share of the net pension liability measured as of June 30, 2021, calculated using the current period discount rate assumption of 7.00 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption:

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	1% Decrease	Current Discount Rate	1% Increase
School District's Proportionate Share of the Net Pension Liability	\$ 44,380,411	\$ 23,699,562	\$ 6,224,290

NOTE 13 – DEFINED BENEFIT BENEFITS (OPEB) PLANS

See Note 12 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2022, SERS did not allocate any employer contributions 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 2022, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the School District's surcharge obligation was \$110,004, which is reported as an intergovernmental payable.

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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 percent of covered payroll. For the fiscal year ended June 30, 2022, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.20019300%	0.18535700%	
Prior Measurement Date	0.20711900%	0.18311100%	
Change in Proportionate Share	-0.00692600%	0.00224600%	
Proportionate Share of the Net			
OPEB Liability (Asset)	\$ 3,788,807	\$ (3,908,100)	
OPEB Expense	\$ (61,032)	\$ (303,219)	\$ (364,251)

At June 30, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 40,385	\$ 139,156	\$ 179,541
Changes of Assumptions	594,375	249,633	844,008
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	218,932	8,977	227,909
School District Contributions Subsequent to the Measurement Date	110,004	-	110,004
Total Deferred Outflows of Resources	<u>\$ 963,696</u>	<u>\$ 397,766</u>	<u>\$ 1,361,462</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 1,887,004	\$ 716,037	\$ 2,603,041
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	82,314	1,083,255	1,165,569
Changes of Assumptions	518,848	2,331,470	2,850,318
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	316,423	123,874	440,297
Total Deferred Inflows of Resources	<u>\$ 2,804,589</u>	<u>\$ 4,254,636</u>	<u>\$ 7,059,225</u>

\$110,004 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	\$ (408,756)	\$ (1,097,705)	\$ (1,506,461)
2024	(409,334)	(1,070,599)	(1,479,933)
2025	(433,725)	(1,057,770)	(1,491,495)
2026	(402,112)	(480,033)	(882,145)
2027	(226,148)	(154,512)	(380,660)
Thereafter	(70,822)	3,749	(67,073)
Total	<u>\$ (1,950,897)</u>	<u>\$ (3,856,870)</u>	<u>\$ (5,807,767)</u>

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.

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2021, are presented below:

Inflation	2.40 percent
Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Municipal Bond Index Rate	
Measurement Date	1.92 percent
Prior Measurement Date	2.45 percent
Single Equivalent Interest Rate	
Measurement Date	2.27 percent, net of plan investment expense, including price inflation
Prior Measurement Date	2.63 percent, net of plan investment expense, including price inflation
Health Care Cost Trend Rate	
Pre-Medicare	6.750 percent - 4.40 percent
Medicare	5.125 percent - 4.40 percent

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward two years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward five years and adjusted 103.3 percent for males and set forward three years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

The long-term 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 2016 through 2020, and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term

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rate of return for funding pension plans which covers a longer time frame. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00 %	(0.33) %
US Equity	24.75	5.72
Non-US Equity Developed	13.50	6.55
Non-US Equity Emerging	6.75	8.54
Fixed Income/Global Bonds	19.00	1.14
Private Equity	11.00	10.03
Real Estate/Real Assets	16.00	5.41
Multi-Asset Strategies	4.00	3.47
Private Debt/Private Credit	3.00	5.28
Total	<u>100.00 %</u>	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2021, was 2.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2021 was 2.63 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the plan at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2020 and the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 1.92 percent at June 30, 2021 and 2.45 percent at June 30, 2020.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability and what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.27 percent) and higher (3.27 percent) than the current discount rate (2.27 percent). Also shown is what the net OPEB liability would be based on health care cost trend rates that are one percentage point lower (5.75 percent decreasing to 3.40 percent) and higher (7.75 percent decreasing to 5.40 percent) than the current rate (6.75 percent decreasing to 4.40 percent).

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	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability	\$ 4,694,802	\$ 3,788,807	\$ 3,065,051

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability	\$ 2,917,078	\$ 3,788,807	\$ 4,953,191

Actuarial Assumptions – STRS

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

Inflation	2.50 percent	
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65	
Payroll Increases	3.00 percent	
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	
Discount Rate of Return	7.00 percent	
Health Care Cost Trend Rates		
Medical	<u>Initial</u>	<u>Ultimate</u>
Pre-Medicare	5.00 percent	4.00 percent
Medicare	-16.18 percent	4.00 percent
Prescription Drug		
Pre-Medicare	6.50 percent	4.00 percent
Medicare	29.98 percent	4.00 percent

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

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

The actuarial assumptions used in the June 30, 2021 valuation were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016.

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

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return*</u>
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

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

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2021.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2021, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as of June 30, 2021, 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</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (3,297,833)	\$ (3,908,100)	\$ (4,417,888)
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (4,397,232)	\$ (3,908,100)	\$ (3,303,245)

Assumption Changes Since the Prior Measurement Date The discount rate was adjusted to 7.00 percent from 7.45 percent for the June 30, 2021 valuation.

Benefit Term Changes Since the Prior Measurement Date The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.100 percent. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in calendar year 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 14 – FUND BALANCES

Fund balance can be classified as nonspendable, restricted, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

	General	ESSER	Scholarship Endowment	Other Governmental Funds	Total
Nonspendable for:					
Perpetual Care	\$ -	\$ -	\$ -	\$ 126,459	\$ 126,459
Unclaimed Monies	40,039	-	-	-	40,039
Scholarship Endowment	-	-	10,042,168	-	10,042,168
Total Nonspendable	40,039	-	10,042,168	126,459	10,208,666
Restricted for:					
Capital Outlay	-	-	-	5,653,326	5,653,326
Debt Service	-	-	-	2,262,377	2,262,377
Food Service	-	-	-	1,335,515	1,335,515
Scholarships	-	-	72,438	732,565	805,003
Classroom Facilities Maintenance	-	-	-	1,069,332	1,069,332
Student Activities	-	-	-	272,081	272,081
Permanent	-	-	-	11,240	11,240
State Grants	-	-	-	58,249	58,249
Federal Grants	-	-	-	3,920	3,920
Special Trusts	-	-	-	145,605	145,605
Other Grants	-	-	-	584,665	584,665
Education Foundation	-	-	-	164,310	164,310
Total Restricted	-	-	72,438	12,293,185	12,365,623
Assigned for:					
Encumbrances:					
Instruction	156,433	-	-	-	156,433
Support Services	15,692	-	-	-	15,692
Subsequent Year Appropriations	4,989,757	-	-	-	4,989,757
Capital Asset Replacement	-	-	-	26,673	26,673
Public Schools	61,080	-	-	-	61,080
Total Assigned	5,222,962	-	-	26,673	5,249,635
Unassigned	5,613,892	(1,253,692)	-	(900,489)	3,459,711
Total Fund Balance	\$ 10,876,893	\$ (1,253,692)	\$10,114,606	\$ 11,545,828	\$ 31,283,635

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 15 – CONTINGENCIES

Grants

The School 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 is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2021, if applicable, cannot be determined at this time.

Litigation

The School District is party to legal proceedings, but management believes that any liability not covered by insurance would be immaterial to the District.

NOTE 16 – STATUTORY RESERVES

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by 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 the same purposes in future years.

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

	<u>Capital Improvements</u>
Set-aside Restricted Balance as of June 30, 2021	\$ -
Current Year Set-Aside Requirement	524,871
Current Year Offset	<u>(1,225,306)</u>
Totals	<u>\$ (700,435)</u>
Balance Carried Forward to Fiscal Year 2023	<u>\$ -</u>
Set-Aside Restricted Balance as of June 30, 2022	<u>\$ -</u>

Although the School District had qualifying disbursements and offset credits during the fiscal year that reduced the set-aside amount below zero, this amount may not be used to reduce the set-aside requirements of future years. This negative balance is therefore not presented as being carried forward to future years.

Sandusky City School District
Erie County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 17 – OTHER COMMITMENTS

Encumbrance Commitments

Outstanding encumbrances for governmental funds include the following:

<u>Fund</u>	<u>Amount</u>
General	\$ 232,080
ESSER	668,988
Nonmajor Governmental	<u>1,518,275</u>
	<u>\$ 2,419,343</u>

NOTE 18 – TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) and Enterprise Zone Agreement (“EZA”) programs with the taxing districts of the District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. The EZA program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in the community. Within the taxing districts of the School District, the City of Sandusky has entered into CRA and EZA agreements. Under these agreements, the School District’s property taxes were reduced by \$1,075,653 in 2022. None of these agreements are individually significant to require disclosure individually.

NOTE 19 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 while the national state of emergency continues. During fiscal year 2022, the School District received COVID-19 funding. The financial impact of COVID-19 and the continuing recovery measures will impact subsequent periods of the School District. The impact on the School District’s future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

The School District’s investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined.

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Sandusky City School District
Erie County, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Last Nine Fiscal Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>School Employees Retirement System (SERS)</i>				
School District's Proportion of the Net Pension Liability	0.19440240%	0.20025030%	0.20945920%	0.20345190%
School District's Proportionate Share of the Net Pension Liability	\$ 7,172,885	\$ 13,244,977	\$ 12,532,311	\$ 11,652,067
School District's Covered Payroll	\$ 6,778,686	\$ 6,914,064	\$ 6,492,304	\$ 6,547,600
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.82%	191.57%	193.03%	177.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.86%	68.55%	70.85%	71.36%
<i>State Teachers Retirement System (STRS)</i>				
School District's Proportion of the Net Pension Liability	0.18535703%	0.18311074%	0.18673206%	0.18912689%
School District's Proportionate Share of the Net Pension Liability	\$ 23,699,652	\$ 44,306,284	\$ 41,294,673	\$ 41,584,757
School District's Covered Payroll	\$ 23,105,629	\$ 21,672,021	\$ 22,479,821	\$ 21,520,200
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	102.57%	204.44%	183.70%	193.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.80%	75.50%	77.40%	77.31%

(1) Information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

	2018	2017	2016	2015	2014
	0.19197120%	0.18762710%	0.18504840%	0.18421100%	0.18421100%
\$	11,469,856	\$ 13,732,572	\$ 10,559,041	\$ 9,322,814	\$ 10,957,722
\$	6,432,664	\$ 6,591,600	\$ 6,815,053	\$ 5,406,883	\$ 6,396,590
	178.31%	208.33%	154.94%	172.42%	171.31%
	69.50%	62.98%	69.16%	71.70%	65.52%
	0.19024870%	0.18973511%	0.18915164%	0.18958761%	0.18958761%
\$	45,193,986	\$ 63,510,061	\$ 52,275,981	\$ 46,114,268	\$ 54,783,081
\$	21,212,829	\$ 20,499,943	\$ 20,033,743	\$ 20,860,662	\$ 20,954,031
	213.05%	309.81%	260.94%	221.06%	261.44%
	75.30%	66.80%	72.10%	74.70%	69.30%

See accompanying notes to the required supplementary information.

Sandusky City School District
Erie County, Ohio
Required Supplementary Information
Schedule of the School District's Contributions - Pension
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>School Employees Retirement System (SERS)</i>				
Contractually Required Contribution	\$ 1,094,083	\$ 949,016	\$ 967,969	\$ 876,461
Contributions in Relation to the Contractually Required Contribution	<u>(1,094,083)</u>	<u>(949,016)</u>	<u>(967,969)</u>	<u>(876,461)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 7,814,879	\$ 6,778,686	\$ 6,914,064	\$ 6,492,304
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.50%
<i>State Teachers Retirement System (STRS)</i>				
Contractually Required Contribution	\$ 3,280,012	\$ 3,234,788	\$ 3,034,083	\$ 3,147,175
Contributions in Relation to the Contractually Required Contribution	<u>(3,280,012)</u>	<u>(3,234,788)</u>	<u>(3,034,083)</u>	<u>(3,147,175)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 23,428,657	\$ 23,105,629	\$ 21,672,021	\$ 22,479,821
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 883,926	\$ 900,573	\$ 922,824	\$ 898,224	\$ 749,394	\$ 885,288
<u>(883,926)</u>	<u>(900,573)</u>	<u>(922,824)</u>	<u>(898,224)</u>	<u>(749,394)</u>	<u>(885,288)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,547,600	\$ 6,432,664	\$ 6,591,600	\$ 6,815,053	\$ 5,406,883	\$ 6,396,590
13.50%	14.00%	14.00%	13.18%	13.86%	13.84%
\$ 3,012,828	\$ 2,969,796	\$ 2,869,992	\$ 2,804,724	\$ 2,711,886	\$ 2,724,024
<u>(3,012,828)</u>	<u>(2,969,796)</u>	<u>(2,869,992)</u>	<u>(2,804,724)</u>	<u>(2,711,886)</u>	<u>(2,724,024)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 21,520,200	\$ 21,212,829	\$ 20,499,943	\$ 20,033,743	\$ 20,860,662	\$ 20,954,031
14.00%	14.00%	14.00%	14.00%	13.00%	13.00%

See accompanying notes to the required supplementary information.

Sandusky City School District
Erie County, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability/(Asset)
Last Six Fiscal Years (1)

	2022	2021	2020
<i>School Employees Retirement System (SERS)</i>			
School District's Proportion of the Net OPEB Liability	0.200193%	0.207119%	0.212919%
School District's Proportionate Share of the Net OPEB Liability	\$ 3,788,807	\$ 4,501,378	\$ 5,354,463
School District's Covered Payroll	\$ 6,778,686	\$ 6,914,064	\$ 6,492,304
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	55.89%	65.10%	82.47%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	24.08%	18.17%	15.57%
<i>State Teachers Retirement System (STRS)</i>			
School District's Proportion of the Net OPEB Liability/(Asset)	0.185357%	0.183111%	0.186732%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (3,908,100)	\$ (3,218,172)	\$ (3,092,730)
School District's Covered Payroll	\$ 23,105,629	\$ 21,672,021	\$ 22,479,821
School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-16.91%	-14.85%	-13.76%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)	174.73%	182.10%	174.70%

(1) Information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.20490540%	0.19439700%	0.18953099%
\$ 5,684,629	\$ 5,217,105	\$ 5,402,334
\$ 6,547,600	\$ 6,432,664	\$ 6,591,600
86.82%	81.10%	81.96%
13.57%	12.46%	11.49%
0.18912689%	0.19024870%	0.18973511%
\$ (3,039,076)	\$ 7,422,802	\$ 10,147,083
\$ 21,520,200	\$ 21,212,829	\$ 20,499,943
-14.12%	34.99%	49.50%
176.00%	47.10%	37.30%

See accompanying notes to the required supplementary information.

Sandusky City School District
Erie County, Ohio
Required Supplementary Information
Schedule of the School District's Contributions - OPEB
Last Seven Fiscal Years (2)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<i>School Employees Retirement System (SERS)</i>				
Contractually Required Contribution (1)	\$ 110,004	\$ 106,706	\$ 129,841	\$ 121,825
Contributions in Relation to the Contractually Required Contribution	<u>(110,004)</u>	<u>(106,706)</u>	<u>(129,841)</u>	<u>(121,825)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 7,814,879	\$ 6,390,857	\$ 6,914,064	\$ 6,492,304
OPEB Contributions as a Percentage of Covered Payroll (1)	1.41%	1.67%	1.88%	1.88%
<i>State Teachers Retirement System (STRS)</i>				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll	\$ 23,428,657	\$ 19,131,043	\$ 21,672,021	\$ 22,479,821
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) Includes surcharge

(2) Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 136,790	\$ 104,057	\$ 93,289
<u>(136,790)</u>	<u>(104,057)</u>	<u>(93,289)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,547,600	\$ 6,432,664	\$ 6,591,600
2.09%	1.62%	1.42%
\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 21,520,200	\$ 21,212,829	\$ 20,499,943
0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

Sandusky City School District
Erie County, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

NOTE 1 - NET PENSION LIABILITY

There were no changes in assumptions or benefit terms for the fiscal years reported unless otherwise stated below:

Changes in Assumptions - SERS

For fiscal year 2022, the SERS Board adopted the following assumption changes:

- Assumed rate of inflation was reduced from 3.00 percent to 2.40 percent
- Payroll growth assumption was reduced from 3.50 percent to 1.75 percent
- Assumed real wage growth was reduced from 0.50 percent to 0.85 percent
- Discount rate was reduced from 7.50 percent to 7.00 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members, service retirees and beneficiaries, and disabled members were updated.

For fiscal year 2017, the SERS Board adopted the following assumption changes:

- Assumed rate of inflation was reduced from 3.25 percent to 3.00 percent
- Payroll Growth Assumption was reduced from 4.00 percent to 3.50 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.50 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates.
- Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

Changes in Benefit Terms - SERS

For fiscal year 2021, cost-of-living adjustments was reduced from 2.50 percent to 2.00 percent.

For fiscal year 2018, the cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.50 percent with a floor of zero percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Changes in Assumptions – STRS

For fiscal year 2022, the long term expected rate of return was reduced from 7.45 percent to 7.00 percent.

For fiscal year 2018, the Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to

Sandusky City School District
Erie County, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

3.00 percent, 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 percent 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.

Changes in Benefit Terms - STRS

For fiscal year 2018, the cost-of-living adjustment (COLA) was reduced to zero.

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions – SERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Municipal Bond Index Rate:

Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

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

Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Pre-Medicare Trend Assumption

Fiscal year 2022	6.75 percent initially, decreasing to 4.40 percent
Fiscal year 2021	7.00 percent initially, decreasing to 4.75 percent
Fiscal year 2020	7.00 percent initially, decreasing to 4.75 percent
Fiscal year 2019	7.25 percent initially, decreasing to 4.75 percent
Fiscal year 2018	7.50 percent initially, decreasing to 4.00 percent

Medicare Trend Assumption

Fiscal year 2022	5.125 percent initially, decreasing to 4.40 percent
Fiscal year 2021	5.25 percent initially, decreasing to 4.75 percent
Fiscal year 2020	5.25 percent initially, decreasing to 4.75 percent
Fiscal year 2019	5.375 percent initially, decreasing to 4.75 percent
Fiscal year 2018	5.50 percent initially, decreasing to 5.00 percent

Sandusky City School District
Erie County, Ohio
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Changes in Benefit Terms – SERS

There have been no changes to the benefit provisions.

Changes in Assumptions – STRS

For fiscal year 2021, valuation year per capita health care costs were updated. Health care cost trend rates ranged from -5.20 percent to 9.60 percent initially for fiscal year 2020 and changed for fiscal year 2021 to a range of -6.69 percent to 11.87 percent, initially.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45 percent. Valuation year per capita health care costs were updated. Health care cost trend rates ranged from 6.00 percent to 11 percent initially and a 4.50 percent ultimate rate for fiscal year 2018 and changed for fiscal year 2019 to a range of -5.20 percent to 9.60 percent, initially and a 4.00 ultimate rate.

For fiscal year 2018, the blended discount rate was increased from 3.26 percent to 4.13 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Changes in Benefit Terms – STRS

For fiscal year 2021, there were no changes to the claims costs process. Claim curves were updated to reflect the projected fiscal year 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to .1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2020, 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 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021

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

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. This was subsequently extended, see above paragraph.

Combining Statements and
Individual Fund Schedules

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Sandusky City School District
Erie County, Ohio
Fund Descriptions – Major Governmental Fund

Elementary and Secondary School Emergency Relief (ESSER) A fund used to account for state funds used to aid districts that have been impacted and continue to be impacted by the Novel Coronavirus Disease 2019 (COVID-19).

Scholarship Endowment This fund accounts for monies set aside from endowments for scholarships for students enrolled in the School District. The principal and income from such a fund may be expended, but the principal must remain intact.

Sandusky City School District
Erie County, Ohio
Fund Descriptions – Nonmajor Governmental Funds

Special Revenue Funds The Special Revenue Funds are used to account for the proceeds of specific sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. With the implementation of GASB No. 54, adult education, rotary, public school support, other grants and unclaimed special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein.

Capital Project Funds These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities or other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Debt Service Fund This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in the debt service fund.

Permanent Fund This fund accounts for and report resources that are restricted to the extent that only earnings, and not principal, may be used for the purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. The permanent fund does not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments.

Sandusky City School District
Erie County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 4,488,594	\$ 1,957,751	\$ 2,621,319	\$ 137,699	\$ 9,205,363
Cash and Investments in Segregated Accounts	218,085	-	2,988,163	-	3,206,248
Receivables:					
Accounts	22,833	-	-	-	22,833
Intergovernmental	1,665,109	-	214,469	-	1,879,578
Property Taxes	234,047	1,899,608	877,541	-	3,011,196
<i>Total Assets</i>	<u>\$ 6,628,668</u>	<u>\$ 3,857,359</u>	<u>\$ 6,701,492</u>	<u>\$ 137,699</u>	<u>\$ 17,325,218</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 230,417	\$ -	\$ 37,050	\$ -	\$ 267,467
Accrued Wages and Benefits	545,004	-	-	-	545,004
Contracts Payable	-	-	33,157	-	33,157
Intergovernmental Payable	104,191	-	-	-	104,191
Interfund Payable	453,504	-	-	-	453,504
Matured Compensated Absences Payable	10,112	-	-	-	10,112
<i>Total Liabilities</i>	<u>1,343,228</u>	<u>-</u>	<u>70,207</u>	<u>-</u>	<u>1,413,435</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	193,944	1,574,113	727,176	-	2,495,233
Unavailable Revenue	1,625,743	20,869	224,110	-	1,870,722
<i>Total Deferred Inflows of Resources</i>	<u>1,819,687</u>	<u>1,594,982</u>	<u>951,286</u>	<u>-</u>	<u>4,365,955</u>
Fund Balances (Deficit)					
Nonspendable	-	-	-	126,459	126,459
Restricted	4,366,242	2,262,377	5,653,326	11,240	12,293,185
Assigned	-	-	26,673	-	26,673
Unassigned (Deficit)	(900,489)	-	-	-	(900,489)
<i>Total Fund Balances</i>	<u>3,465,753</u>	<u>2,262,377</u>	<u>5,679,999</u>	<u>137,699</u>	<u>11,545,828</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 6,628,668</u>	<u>\$ 3,857,359</u>	<u>\$ 6,701,492</u>	<u>\$ 137,699</u>	<u>\$ 17,325,218</u>

Sandusky City School District
Erie County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Property and Other Local Taxes	\$ 242,097	\$ 1,957,469	\$ 910,215	\$ -	\$ 3,109,781
Intergovernmental	6,494,492	46,651	4,850,509	-	11,391,652
Investment Income	1,995	2,018	13,822	(18,438)	(603)
Extracurricular Activities	345,004	-	-	-	345,004
Charges for Services	82,254	-	-	-	82,254
Contributions and Donations	469,409	-	12,000	-	481,409
Payments in Lieu of Taxes	173	1,261	691	-	2,125
Miscellaneous	1,663	-	-	-	1,663
<i>Total Revenues</i>	<u>7,637,087</u>	<u>2,007,399</u>	<u>5,787,237</u>	<u>(18,438)</u>	<u>15,413,285</u>
Expenditures:					
Current:					
Instruction:					
Regular	728,324	-	217,671	-	945,995
Special	1,556,864	-	-	-	1,556,864
Vocational	26,470	-	-	-	26,470
Adult/Continuing	134,730	-	-	-	134,730
Support Services:					
Pupils	561,810	-	-	-	561,810
Instructional Staff	749,345	-	-	-	749,345
Administration	91,245	-	-	-	91,245
Fiscal	4,535	36,727	18,125	-	59,387
Business	57,072	-	-	-	57,072
Operation and Maintenance of Plant	55,209	-	-	-	55,209
Pupil Transportation	-	-	32,840	-	32,840
Central	192,481	-	30,462	-	222,943
Operation of Non-Instructional Services:					
Food Service Operations	1,939,470	-	-	-	1,939,470
Community Services	1,005,381	-	-	-	1,005,381
Extracurricular Activities	346,588	-	11,591	-	358,179
Capital Outlay	-	-	3,764,543	-	3,764,543
Debt Service:					
Principal Retirement	-	502,652	-	-	502,652
Interest and Fiscal Charges	-	1,217,882	-	-	1,217,882
<i>Total Expenditures</i>	<u>7,449,524</u>	<u>1,757,261</u>	<u>4,075,232</u>	<u>-</u>	<u>13,282,017</u>
<i>Net Change in Fund Balance</i>	187,563	250,138	1,712,005	(18,438)	2,131,268
<i>Fund Balance at Beginning of Year</i>	<u>3,278,190</u>	<u>2,012,239</u>	<u>3,967,994</u>	<u>156,137</u>	<u>9,414,560</u>
<i>Fund Balance at End of Year</i>	<u>\$ 3,465,753</u>	<u>\$ 2,262,377</u>	<u>\$ 5,679,999</u>	<u>\$ 137,699</u>	<u>\$ 11,545,828</u>

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Sandusky City School District
Erie County, Ohio
Combining Statements – Nonmajor Special Revenue Funds

Fund Descriptions

Food Service Fund To account for all revenues and expenditures related to the provision of food services, including breakfast and lunch, for the School District students and staff.

Special Trust Fund This fund accounts for monies from local donations for the purpose of scholarships for students.

Other Grant Fund This fund accounts for proceeds of specific revenue sources, except for State and Federal grants that are legally restricted to expenditures for specified purposes.

Education Foundation Fund This fund accounts for local monies received for specific grant requests made by staff members to the Educational Foundation.

Classroom Facilities Maintenance Fund This fund accounts for proceeds of levy for maintenance of facilities.

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

District Managed Activities Fund This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program and transportation of the band to and from athletic events.

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

Public School Preschool Fund This fund assists in paying the cost of preschool programs for three and four olds.

Data Communications Fund This fund accounts for State monies appropriated for Ohio Educational Computer Network Connections.

Student Wellness and Success Grant This fund accounts for state funds used to assist districts in supporting their students' academic achievement through mental health counseling, wraparound services, mentoring and after-school programs.

Miscellaneous State Grants Fund This fund accounts for other State Grants which are not required to be accounted for in a separate fund.

Adult Basic Education Fund This fund accounts for the Federal money used to provide programs in reading, writing and math competency for adults who have not earned a high school diploma.

Coronavirus Relief-Urban Fund This fund accounts for Federal funds for necessary expenditures incurred due to the public health emergency with respect to the coronavirus (COVID-19) pandemic.

Sandusky City School District
Erie County, Ohio
Combining Statements – Nonmajor Special Revenue Funds
(Continued)

Title VI-B Fund This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education Fund This fund accounts for monies to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantage and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects, including sex equity grants. Funds are administered by the Ohio Department of Education, Division of Vocational and Career Education.

Basic PELL Grant Program Fund This fund accounts for funds used for undergraduate post-secondary students who have demonstrated financial need with grant assistance to help meet educational expenses.

Title I School Improvement Fund This fund accounts for grant monies to help raise the achievement of students in the School District.

Title III Limited English Proficiency Fund To account for funds used to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provide structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must incorporate the cultural heritage of these children and of other children in American society. The instruction must be, to the extent necessary, in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

Title I Fund To account for federal funds for services provided to meet special educational needs of educationally deprived children.

Title IV-A Fund A fund to improve students' academic achievement by increasing the capacity of states, local education agencies, schools, and local communities to (1) provide all students with access to a well-rounded education, (2) improve school conditions for student learning, and (3) improve the use of technology in order to improve the academic achievement and digital literacy of all students.

IDEA Preschool for the Handicapped Fund This fund accounts for Federal monies for improvement and expansion of services for handicapped children ages three through five years of age.

Improving Teachers Quality Fund This fund accounts for Federal monies to hire additional classroom teachers in grades 1-3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund This fund accounts for other Federal Grants which are not required to be accounted for in a separate fund.

Sandusky City School District
Erie County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Food Service Fund	Special Trust Fund	Other Grant Fund	Education Foundation Fund	Classroom Facilities Maintenance Fund
Assets					
Equity in Pooled Cash and Investments	\$ 1,497,068	\$ 857,570	\$ 609,564	\$ -	\$ 1,031,800
Cash and Investments in Segregated Accounts	-	-	-	164,310	-
Receivables:					
Accounts	-	20,600	-	-	-
Intergovernmental	-	-	-	-	-
Property Taxes	-	-	-	-	234,047
<i>Total Assets</i>	<u>\$ 1,497,068</u>	<u>\$ 878,170</u>	<u>\$ 609,564</u>	<u>\$ 164,310</u>	<u>\$ 1,265,847</u>
Liabilities					
Accounts Payable	\$ 13,193	\$ -	\$ 21,224	\$ -	\$ -
Accrued Wages and Benefits	115,323	-	2,887	-	-
Intergovernmental Payable	22,925	-	788	-	-
Interfund Payable	-	-	-	-	-
Matured Compensated Absences Payable	10,112	-	-	-	-
<i>Total Liabilities</i>	<u>161,553</u>	<u>-</u>	<u>24,899</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	-	-	-	-	193,944
Unavailable Revenue	-	-	-	-	2,571
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>196,515</u>
Fund Balances (Deficit)					
Restricted	1,335,515	878,170	584,665	164,310	1,069,332
Unassigned (Deficit)	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>1,335,515</u>	<u>878,170</u>	<u>584,665</u>	<u>164,310</u>	<u>1,069,332</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,497,068</u>	<u>\$ 878,170</u>	<u>\$ 609,564</u>	<u>\$ 164,310</u>	<u>\$ 1,265,847</u>

Student Activities Fund	District Managed Student Activity Fund	Auxiliary Services Fund	Public School Preschool Fund	Data Communications Fund	Student Wellness and Success Fund	Miscellaneous State Grants Fund	Adult Basic Education Fund
\$ 122,251	\$ 167,823	\$ -	\$ 3,034	\$ 18,000	\$ -	\$ 11,268	\$ -
-	-	53,775	-	-	-	-	-
-	2,233	-	-	-	-	-	-
-	-	-	51,328	-	-	-	27,214
-	-	-	-	-	-	-	-
<u>\$ 122,251</u>	<u>\$ 170,056</u>	<u>\$ 53,775</u>	<u>\$ 54,362</u>	<u>\$ 18,000</u>	<u>\$ -</u>	<u>\$ 11,268</u>	<u>\$ 27,214</u>
\$ 13,297	\$ 6,929	\$ 24,794	\$ 2,901	\$ -	\$ -	\$ -	\$ -
-	-	-	21,334	-	-	-	9,885
-	-	-	5,080	-	-	-	3,067
-	-	-	12,806	-	-	-	5,827
-	-	-	-	-	-	-	-
<u>13,297</u>	<u>6,929</u>	<u>24,794</u>	<u>42,121</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,779</u>
-	-	-	-	-	-	-	-
-	-	-	51,328	-	-	-	5,748
-	-	-	51,328	-	-	-	5,748
108,954	163,127	28,981	-	18,000	-	11,268	2,687
-	-	-	(39,087)	-	-	-	-
<u>108,954</u>	<u>163,127</u>	<u>28,981</u>	<u>(39,087)</u>	<u>18,000</u>	<u>-</u>	<u>11,268</u>	<u>2,687</u>
<u>\$ 122,251</u>	<u>\$ 170,056</u>	<u>\$ 53,775</u>	<u>\$ 54,362</u>	<u>\$ 18,000</u>	<u>\$ -</u>	<u>\$ 11,268</u>	<u>\$ 27,214</u>

(continued)

Sandusky City School District
Erie County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Coronavirus Relief-Urban Fund	Title VI-B Fund	Vocational Education Fund	Basic PELL Grant Program Fund	Title I School Improvement Fund
Assets:					
Equity in Pooled Cash and Investments	\$ 4,395	\$ 5,736	\$ 13,142	\$ -	\$ -
Cash and Investments in Segregated Accounts	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	855,135	39,649	-	4,770
Property Taxes	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 4,395</u>	<u>\$ 860,871</u>	<u>\$ 52,791</u>	<u>\$ -</u>	<u>\$ 4,770</u>
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 12,209	\$ -	\$ -
Accrued Wages and Benefits	-	117,905	277	-	4,546
Intergovernmental Payable	-	21,363	183	-	66
Interfund Payable	4,395	48,707	57,675	-	224
Matured Compensated Absences Payable	-	-	-	-	-
<i>Total Liabilities</i>	<u>4,395</u>	<u>187,975</u>	<u>70,344</u>	<u>-</u>	<u>4,836</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	-	-	-	-	-
Unavailable Revenue	-	855,135	19,178	-	4,770
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>855,135</u>	<u>19,178</u>	<u>-</u>	<u>4,770</u>
Fund Balances (Deficit)					
Restricted	-	-	-	-	-
Unassigned (Deficit)	-	(182,239)	(36,731)	-	(4,836)
<i>Total Fund Balances (Deficit)</i>	<u>-</u>	<u>(182,239)</u>	<u>(36,731)</u>	<u>-</u>	<u>(4,836)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 4,395</u>	<u>\$ 860,871</u>	<u>\$ 52,791</u>	<u>\$ -</u>	<u>\$ 4,770</u>

Title III Limited English Proficiency Fund	Title I Fund	Title IV-A Fund	IDEA Preschool For The Handicapped Fund	Improving Teachers Quality Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
\$ 1,233	\$ 88,362	\$ -	\$ 766	\$ 248	\$ 56,334	\$ 4,488,594
-	-	-	-	-	-	218,085
-	-	-	-	-	-	22,833
-	516,880	30,740	1,696	35,178	102,519	1,665,109
-	-	-	-	-	-	234,047
<u>\$ 1,233</u>	<u>\$ 605,242</u>	<u>\$ 30,740</u>	<u>\$ 2,462</u>	<u>\$ 35,426</u>	<u>\$ 158,853</u>	<u>\$ 6,628,668</u>
\$ -	\$ 80,663	\$ -	\$ -	\$ -	\$ 55,207	\$ 230,417
-	246,853	-	5,291	20,703	-	545,004
-	45,837	-	1,448	3,434	-	104,191
-	179,442	30,741	2,476	8,287	102,924	453,504
-	-	-	-	-	-	10,112
-	552,795	30,741	9,215	32,424	158,131	1,343,228
-	-	-	-	-	-	193,944
-	516,880	30,740	1,696	35,178	102,519	1,625,743
-	516,880	30,740	1,696	35,178	102,519	1,819,687
1,233	-	-	-	-	-	4,366,242
-	(464,433)	(30,741)	(8,449)	(32,176)	(101,797)	(900,489)
1,233	(464,433)	(30,741)	(8,449)	(32,176)	(101,797)	3,465,753
<u>\$ 1,233</u>	<u>\$ 605,242</u>	<u>\$ 30,740</u>	<u>\$ 2,462</u>	<u>\$ 35,426</u>	<u>\$ 158,853</u>	<u>\$ 6,628,668</u>

Sandusky City School District
Erie County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2022

	Food Service Fund	Special Trust Fund	Other Grant Fund	Education Foundation Fund	Classroom Facilities Maintenance Fund
Revenues:					
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -	\$ 242,097
Intergovernmental	2,567,107	-	-	-	33,828
Investment Income	-	978	-	92	924
Extracurricular Activities	-	-	-	-	-
Charges for Services	70,311	-	-	-	-
Contributions and Donations	-	71,799	313,895	32,083	-
Payments in Lieu of Taxes	-	-	-	-	173
Miscellaneous	1,663	-	-	-	-
<i>Total Revenues</i>	<u>2,639,081</u>	<u>72,777</u>	<u>313,895</u>	<u>32,175</u>	<u>277,022</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	-	78,255	-	-
Special	-	-	92,090	-	-
Vocational	-	-	14,273	-	-
Adult/Continuing	-	-	52,885	-	-
Support Services:					
Pupils	-	-	6,337	-	-
Instructional Staff	-	-	145	-	-
Administration	-	-	-	-	-
Fiscal	-	-	-	-	4,535
Business	-	20,600	-	36,472	-
Operation and Maintenance of Plant	30,988	-	-	-	22,921
Central	-	-	123,065	-	-
Operation of Non-Instructional Services:					
Food Service Operations	1,939,470	-	-	-	-
Community Services	-	-	28,364	-	-
Extracurricular Activities	-	33,612	-	-	-
<i>Total Expenditures</i>	<u>1,970,458</u>	<u>54,212</u>	<u>395,414</u>	<u>36,472</u>	<u>27,456</u>
<i>Net Change in Fund Balances</i>	668,623	18,565	(81,519)	(4,297)	249,566
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>666,892</u>	<u>859,605</u>	<u>666,184</u>	<u>168,607</u>	<u>819,766</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,335,515</u>	<u>\$ 878,170</u>	<u>\$ 584,665</u>	<u>\$ 164,310</u>	<u>\$ 1,069,332</u>

Student Activities Fund	District Managed Student Activity Fund	Auxiliary Services Fund	Public School Preschool Fund	Data Communications Fund	Student Wellness and Success Fund	Miscellaneous State Grants Fund	Adult Basic Education Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	482,097	305,443	9,000	-	-	124,747
-	-	1	-	-	-	-	-
95,874	249,130	-	-	-	-	-	-
-	11,943	-	-	-	-	-	-
33,409	18,223	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>129,283</u>	<u>279,296</u>	<u>482,098</u>	<u>305,443</u>	<u>9,000</u>	<u>-</u>	<u>-</u>	<u>124,747</u>
-	-	-	287,353	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	78,447
-	-	-	494	-	108,941	-	-
-	-	-	-	-	-	-	39,374
-	-	-	22,572	-	-	-	2,069
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,300	-
-	-	-	-	-	-	-	-
-	-	466,255	-	-	-	-	-
99,485	213,491	-	-	-	-	-	-
<u>99,485</u>	<u>213,491</u>	<u>466,255</u>	<u>310,419</u>	<u>-</u>	<u>108,941</u>	<u>1,300</u>	<u>119,890</u>
29,798	65,805	15,843	(4,976)	9,000	(108,941)	(1,300)	4,857
79,156	97,322	13,138	(34,111)	9,000	108,941	12,568	(2,170)
<u>\$ 108,954</u>	<u>\$ 163,127</u>	<u>\$ 28,981</u>	<u>\$ (39,087)</u>	<u>\$ 18,000</u>	<u>\$ -</u>	<u>\$ 11,268</u>	<u>\$ 2,687</u>

(continued)

Sandusky City School District
Erie County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2022

	Coronavirus Relief-Urban Fund	Title VI-B Fund	Vocational Education Fund	Basic PELL Grant Program Fund	Title I School Improvement Fund
Revenues:					
Property and Other Local Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	39,061	995,864	40,226	340,330	11,697
Investment Income	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Charges for Services	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<i>Total Revenues</i>	<u>39,061</u>	<u>995,864</u>	<u>40,226</u>	<u>340,330</u>	<u>11,697</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	18,643	-	-	-
Special	-	650,881	-	-	-
Vocational	-	-	12,197	-	-
Adult/Continuing	-	-	3,398	-	-
Support Services:					
Pupils	-	303,805	38,637	-	-
Instructional Staff	-	517	10,416	-	51,804
Administration	-	23,295	-	-	-
Fiscal	-	-	-	-	-
Business	-	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-	-
Central	30,370	-	-	-	-
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	82,826	-	350,510	-
Extracurricular Activities	-	-	-	-	-
<i>Total Expenditures</i>	<u>30,370</u>	<u>1,079,967</u>	<u>64,648</u>	<u>350,510</u>	<u>51,804</u>
<i>Net Change in Fund Balances</i>	8,691	(84,103)	(24,422)	(10,180)	(40,107)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(8,691)</u>	<u>(98,136)</u>	<u>(12,309)</u>	<u>10,180</u>	<u>35,271</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ -</u>	<u>\$ (182,239)</u>	<u>\$ (36,731)</u>	<u>\$ -</u>	<u>\$ (4,836)</u>

Title III Limited English Proficiency Fund	Title I Fund	Title VI-A Fund	IDEA Preschool For The Handicapped Fund	Improving Teachers Quality Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,097
4,974	1,217,700	80,825	49,812	162,292	29,489	6,494,492
-	-	-	-	-	-	1,995
-	-	-	-	-	-	345,004
-	-	-	-	-	-	82,254
-	-	-	-	-	-	469,409
-	-	-	-	-	-	173
-	-	-	-	-	-	1,663
4,974	1,217,700	80,825	49,812	162,292	29,489	7,637,087
-	234,038	33,154	2,476	-	74,405	728,324
75	780,404	-	33,414	-	-	1,556,864
-	-	-	-	-	-	26,470
-	-	-	-	-	-	134,730
-	11,657	68,364	-	-	23,575	561,810
-	486,864	-	-	160,225	-	749,345
3,427	32,645	1,995	-	3,542	1,700	91,245
-	-	-	-	-	-	4,535
-	-	-	-	-	-	57,072
-	-	-	-	-	-	55,209
-	-	-	-	-	39,046	192,481
-	-	-	-	-	-	1,939,470
239	61,631	8,053	-	7,503	-	1,005,381
-	-	-	-	-	-	346,588
3,741	1,607,239	111,566	35,890	171,270	138,726	7,449,524
1,233	(389,539)	(30,741)	13,922	(8,978)	(109,237)	187,563
-	(74,894)	-	(22,371)	(23,198)	7,440	3,278,190
\$ 1,233	\$ (464,433)	\$ (30,741)	\$ (8,449)	\$ (32,176)	\$ (101,797)	\$ 3,465,753

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 2,645,575	\$ 2,645,575	\$ -
Charges for Services	70,311	70,311	-
Miscellaneous	1,299	1,299	-
<i>Total Revenues</i>	<u>2,717,185</u>	<u>2,717,185</u>	<u>-</u>
Expenditures:			
Current:			
Support Services:			
Operation and Maintenance of Plant	31,710	31,710	-
Operation of Non-Instructional Services:			
Food Service Operations	2,078,258	2,067,081	11,177
<i>Total Expenditures</i>	<u>2,109,968</u>	<u>2,098,791</u>	<u>11,177</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	607,217	618,394	11,177
Other Financing Sources (Uses):			
Refund of Prior Year Expenditures	364	364	-
<i>Net Change in Fund Balance</i>	607,581	618,758	11,177
<i>Fund Balance at Beginning of Year</i>	504,396	504,396	-
Prior Year Encumbrances Appropriated	36,703	36,703	-
<i>Fund Balance at End of Year</i>	<u>\$ 1,148,680</u>	<u>\$ 1,159,857</u>	<u>\$ 11,177</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Special Trust Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Investment Income	\$ 833	\$ 978	\$ 145
Gifts and Donations	72,879	72,879	-
<i>Total Revenues</i>	<u>73,712</u>	<u>73,857</u>	<u>145</u>
Expenditures:			
Current:			
Support Services:			
Business	20,600	20,600	-
Extracurricular Activities	33,612	33,612	-
<i>Total Expenditures</i>	<u>54,212</u>	<u>54,212</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	19,500	19,645	145
<i>Fund Balance at Beginning of Year</i>	<u>837,927</u>	<u>837,927</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 857,427</u>	<u>\$ 857,572</u>	<u>\$ 145</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Other Grant Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 378,448	\$ 378,448	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	84,890	84,890	-
Special	149,786	149,786	-
Vocational	14,274	14,274	-
Adult/Continuing	52,885	52,885	-
Support Services:			
Pupils	9,929	9,929	-
Instructional Staff	293	293	-
Central	123,065	123,065	-
Operation of Non-Instructional Services:			
Community Services	29,338	29,338	-
<i>Total Expenditures</i>	464,460	464,460	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(86,012)	(86,012)	-
Other Financing Sources (Uses):			
Refund of Prior Year Receipts	(57)	(57)	-
<i>Net Change in Fund Balance</i>	(86,069)	(86,069)	-
<i>Fund Balance at Beginning of Year</i>	472,795	472,795	-
Prior Year Encumbrances Appropriated	183,893	183,893	-
<i>Fund Balance at End of Year</i>	\$ 570,619	\$ 570,619	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Education Foundation Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Investment Income	\$ 71	\$ 92	\$ 21
Gifts and Donations	32,083	32,083	-
<i>Total Revenues</i>	<u>32,154</u>	<u>32,175</u>	<u>21</u>
Expenditures:			
Current:			
Support Services:			
Business	47,177	37,682	9,495
<i>Net Change in Fund Balance</i>	(15,023)	(5,507)	9,516
<i>Fund Balance at Beginning of Year</i>	168,478	168,478	-
Prior Year Encumbrances Appropriated	1,321	1,321	-
<i>Fund Balance at End of Year</i>	<u>\$ 154,776</u>	<u>\$ 164,292</u>	<u>\$ 9,516</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Classroom Facilities Maintenance Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Taxes	\$ 231,350	\$ 231,350	\$ -
Intergovernmental	33,828	33,828	-
Investment Income	825	924	99
Payments in Lieu of Taxes	173	173	-
<i>Total Revenues</i>	<u>266,176</u>	<u>266,275</u>	<u>99</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	4,535	4,535	-
Operation and Maintenance of Plant	22,921	22,921	-
<i>Total Expenditures</i>	<u>27,456</u>	<u>27,456</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	238,720	238,819	99
<i>Fund Balance at Beginning of Year</i>	<u>792,981</u>	<u>792,981</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,031,701</u>	<u>\$ 1,031,800</u>	<u>\$ 99</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Student Activities Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 95,874	\$ 95,874	\$ -
Gifts and Donations	33,409	33,409	-
<i>Total Revenues</i>	129,283	129,283	-
Expenditures:			
Current:			
Extracurricular Activities	119,489	93,333	26,156
<i>Net Change in Fund Balance</i>	9,794	35,950	26,156
<i>Fund Balance at Beginning of Year</i>	74,993	74,993	-
Prior Year Encumbrances Appropriated	3,734	3,734	-
<i>Fund Balance at End of Year</i>	\$ 88,521	\$ 114,677	\$ 26,156

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
District Managed Activities Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 249,736	\$ 249,736	\$ -
Gifts and Donations	18,223	18,223	-
Charges for Services	11,943	11,943	-
<i>Total Revenues</i>	<u>279,902</u>	<u>279,902</u>	<u>-</u>
Expenditures:			
Current:			
Extracurricular Activities	290,689	228,298	62,391
<i>Net Change in Fund Balance</i>	(10,787)	51,604	62,391
<i>Fund Balance at Beginning of Year</i>	88,709	88,709	-
Prior Year Encumbrances Appropriated	11,983	11,983	-
<i>Fund Balance at End of Year</i>	<u>\$ 89,905</u>	<u>\$ 152,296</u>	<u>\$ 62,391</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 482,494	\$ 482,097	\$ (397)
Investment Income	1	1	-
<i>Total Revenues</i>	<u>482,495</u>	<u>482,098</u>	<u>(397)</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services	492,499	492,499	-
<i>Net Change in Fund Balance</i>	(10,004)	(10,401)	(397)
<i>Fund Balance at Beginning of Year</i>	10,007	10,007	-
Prior Year Encumbrances Appropriated	3,393	3,393	-
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 3,396</u>	<u>\$ 2,999</u>	<u>\$ (397)</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Preschool Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 305,443	\$ 305,443	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	298,691	298,691	-
Support Services:			
Pupils	499	499	-
Administration	19,833	19,833	-
<i>Total Expenditures</i>	319,023	319,023	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,580)	(13,580)	-
Other Financing Sources (Uses):			
Advances In	12,806	12,806	-
<i>Net Change in Fund Balance</i>	(774)	(774)	-
<i>Fund Balance at Beginning of Year</i>	774	774	-
<i>Fund Balance at End of Year</i>	\$ -	\$ -	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 9,000	\$ 18,000	\$ 9,000
<i>Net Change in Fund Balance</i>	9,000	18,000	(9,000)
<i>Fund Balance at Beginning of Year</i>	-	-	-
<i>Fund Balance at End of Year</i>	\$ 9,000	\$ 18,000	\$ (9,000)

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Student Wellness and Success Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 27,428	\$ -	\$ (27,428)
Expenditures:			
Current:			
Support Services:			
Pupils	257,727	257,727	-
<i>Net Change in Fund Balance</i>	(230,299)	(257,727)	(27,428)
<i>Fund Balance at Beginning of Year</i>	230,299	230,299	-
Prior Year Encumbrances Appropriated	27,428	27,428	-
<i>Fund Balance at End of Year</i>	<u>\$ 27,428</u>	<u>\$ -</u>	<u>\$ (27,428)</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 53,340	\$ 52,040	\$ (1,300)
Expenditures:			
Current:			
Support Services:			
Pupil Transportation	52,040	52,040	-
Operation and Maintenance of Plant	1,300	1,300	-
<i>Total Expenditures</i>	<u>53,340</u>	<u>53,340</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	-	(1,300)	(1,300)
<i>Fund Balance at Beginning of Year</i>	(39,469)	(39,469)	-
Prior Year Encumbrances Appropriated	52,040	52,040	-
<i>Fund Balance at End of Year</i>	<u>\$ 12,571</u>	<u>\$ 11,271</u>	<u>\$ (1,300)</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Adult Basic Education Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 103,281	\$ 103,281	\$ -
Expenditures:			
Current:			
Instruction:			
Adult/Continuing	75,498	75,498	-
Support Services:			
Instructional Staff	32,331	32,331	-
Administration	2,069	2,069	-
<i>Total Expenditures</i>	<u>109,898</u>	<u>109,898</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,617)</u>	<u>(6,617)</u>	<u>-</u>
Other Financing Sources (Uses):			
Advances In	5,827	5,827	-
<i>Net Change in Fund Balance</i>	(790)	(790)	-
<i>Fund Balance at Beginning of Year</i>	790	790	-
<i>Fund Balance at End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Coronavirus Relief - Urban Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 39,061	\$ 39,061	\$ -
Expenditures:			
Current:			
Support Services:			
Central	43,456	43,456	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,395)	(4,395)	-
Other Financing Sources (Uses):			
Advances In	4,395	4,395	-
<i>Net Change in Fund Balance</i>	-	-	-
<i>Fund Balance at Beginning of Year</i>	(22,510)	(22,510)	-
Prior Year Encumbrances Appropriated	22,510	22,510	-
<i>Fund Balance (Deficit) at End of Year</i>	\$ -	\$ -	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 1,075,441	\$ 1,057,780	\$ (17,661)
Expenditures:			
Current:			
Instruction:			
Regular	18,643	18,643	-
Special	684,623	684,623	-
Support Services:			
Pupils	313,128	299,346	13,782
Instructional Staff	517	517	-
Administration	23,295	23,295	-
Operation and Maintenance of Plant	408	408	-
Operation of Non-Instructional Services:			
Community Services	82,418	82,418	-
<i>Total Expenditures</i>	<u>1,123,032</u>	<u>1,109,250</u>	<u>13,782</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(47,591)</u>	<u>(51,470)</u>	<u>(3,879)</u>
Other Financing Sources (Uses):			
Advances In	44,828	48,707	3,879
<i>Net Change in Fund Balance</i>	(2,763)	(2,763)	-
<i>Fund Balance at Beginning of Year</i>	2,763	2,763	-
<i>Fund Balance at End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Vocational Education Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 40,226	\$ 19,755	\$ (20,471)
Expenditures:			
Current:			
Instructional:			
Vocational	13,307	13,307	-
Adult/Continuing	3,398	3,398	-
Support Services:			
Pupils	41,135	41,135	-
Instructional Staff	10,416	10,416	-
<i>Total Expenditures</i>	68,256	68,256	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(28,030)	(48,501)	(20,471)
Other Financing Sources (Uses):			
Advances In	37,204	57,675	20,471
<i>Net Change in Fund Balance</i>	9,174	9,174	-
<i>Fund Balance at Beginning of Year</i>	(12,301)	(12,301)	-
Prior Year Encumbrances Appropriated	3,127	3,127	-
<i>Fund Balance at End of Year</i>	\$ -	\$ -	\$ -

Sandusky City School District
Erie County, Ohio

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Basic PELL Grant Program Fund
For the Fiscal Year Ended June 30, 2022*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 350,510	\$ 350,510	\$ -
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services	350,510	350,510	-
<i>Net Change in Fund Balance</i>	-	-	-
<i>Fund Balance at Beginning of Year</i>	-	-	-
<i>Fund Balance at End of Year</i>	\$ -	\$ -	\$ -

Sandusky City School District
Erie County, Ohio

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I School Improvement Fund
For the Fiscal Year Ended June 30, 2022*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 48,968	\$ 48,968	\$ -
Expenditures:			
Current:			
Support Services:			
Instructional Staff	49,192	49,192	-
Other Financing Sources (Uses):			
Advances In	224	224	-
<i>Net Change in Fund Balance</i>	-	-	-
<i>Fund Balance at Beginning of Year</i>	-	-	-
<i>Fund Balance at End of Year</i>	\$ -	\$ -	\$ -

Sandusky City School District
Erie County, Ohio

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title III Limited English Proficiency Fund
For the Fiscal Year Ended June 30, 2022*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 8,054	\$ 8,054	\$ -
Expenditures:			
Current:			
Instructional:			
Special	75	75	-
Administration	3,427	3,427	-
Operation of Non-Instructional Services:			
Community Services	239	239	-
<i>Total Expenditures</i>	3,741	3,741	-
<i>Net Change in Fund Balance</i>	4,313	4,313	-
<i>Fund Balance at Beginning of Year</i>	(3,080)	(3,080)	-
<i>Fund Balance at End of Year</i>	\$ 1,233	\$ 1,233	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 1,307,668	\$ 1,307,668	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	118,570	118,570	-
Special	787,068	787,068	-
Support Services:			
Pupils	34,952	34,952	-
Instructional Staff	502,751	502,751	-
Administration	32,645	32,645	-
Operation of Non-Instructional Services			
Community Services	70,080	70,080	-
<i>Total Expenditures</i>	<u>1,546,066</u>	<u>1,546,066</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(238,398)</u>	<u>(238,398)</u>	<u>-</u>
Other Financing Sources (Uses):			
Advances In	220,676	179,442	(41,234)
<i>Net Change in Fund Balance</i>	(17,722)	(58,956)	(41,234)
<i>Fund Balance at Beginning of Year</i>	17,723	17,723	-
Prior Year Encumbrances Appropriated	41,233	41,233	-
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 41,234</u>	<u>\$ -</u>	<u>\$ (41,234)</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title IV-A
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 80,825	\$ 80,825	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	33,154	33,154	-
Support Services:			
Pupils	68,364	68,364	-
Administration	1,995	1,995	-
Operation of Non-Instructional Services:			
Community Services	8,053	8,053	-
<i>Total Expenditures</i>	<u>111,566</u>	<u>111,566</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(30,741)</u>	<u>(30,741)</u>	<u>-</u>
Other Financing Sources (Uses):			
Advances In	30,741	30,741	-
<i>Net Change in Fund Balance</i>	-	-	-
<i>Fund Balance at Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
IDEA Preschool for the Handicapped Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 51,051	\$ 51,051	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	2,476	2,476	-
Special	50,015	50,015	-
<i>Total Expenditures</i>	52,491	52,491	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,440)	(1,440)	-
Other Financing Sources (Uses):			
Advances In	2,476	2,476	-
<i>Net Change in Fund Balance</i>	1,036	1,036	-
<i>Fund Balance at Beginning of Year</i>	(270)	(270)	-
<i>Fund Balance (Deficit) at End of Year</i>	\$ 766	\$ 766	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Improving Teachers Quality Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 162,292	\$ 162,292	\$ -
Expenditures:			
Current:			
Support Services:			
Instructional Staff	158,608	158,608	-
Administration	3,542	3,542	-
Operation of Non-Instructional Services:			
Community Services	7,751	7,751	-
<i>Total Expenditures</i>	169,901	169,901	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(7,609)	(7,609)	-
Other Financing Sources (Uses):			
Advances In	8,287	8,287	-
<i>Net Change in Fund Balance</i>	678	678	-
<i>Fund Balance at Beginning of Year</i>	(678)	(678)	-
<i>Fund Balance at End of Year</i>	\$ -	\$ -	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 29,489	\$ 29,489	\$ -
Expenditures:			
Current:			
Instruction:			
Regular	138,903	138,903	-
Support Services:			
Pupils	23,575	23,575	-
Instructional Staff	105	105	-
Administration	1,700	1,700	-
Central	37,999	37,999	-
<i>Total Expenditures</i>	202,282	202,282	-
<i>Excess of Revenues Over (Under) Expenditures</i>	(172,793)	(172,793)	-
Other Financing Sources (Uses):			
Advances In	102,924	102,924	-
<i>Net Change in Fund Balance</i>	(69,869)	(69,869)	-
<i>Fund Balance at Beginning of Year</i>	7,395	7,395	-
Prior Year Encumbrances Appropriated	62,480	62,480	-
<i>Fund Balance at End of Year</i>	\$ 6	\$ 6	\$ -

Sandusky City School District
Erie County, Ohio
Fund Description – Nonmajor Debt Service Fund

Debt Service Fund This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. deb payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in the debt service fund. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Debt Retirement Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual follows this page.

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 1,878,718	\$ 1,878,718	\$ -
Intergovernmental	46,651	46,651	-
Investment Income	1,830	2,018	188
Payments in Lieu of Taxes	1,261	1,261	-
Miscellaneous	85,034	-	(85,034)
<i>Total Revenues</i>	<u>2,013,494</u>	<u>1,928,648</u>	<u>(84,846)</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	36,727	36,727	-
Debt Service:			
Principal Retirement	502,652	502,652	-
Interest and Fiscal Charges	1,217,882	1,217,882	-
<i>Total Expenditures</i>	<u>1,757,261</u>	<u>1,757,261</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	256,233	171,387	(84,846)
<i>Fund Balance at Beginning of Year</i>	<u>1,786,365</u>	<u>1,786,365</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 2,042,598</u>	<u>\$ 1,957,752</u>	<u>\$ (84,846)</u>

Sandusky City School District
Erie County, Ohio
Fund Description – Nonmajor Capital Projects Funds

Permanent Improvement Fund The permanent improvement fund accounts for property taxes levied to be used for various capital improvements within the School District.

Building Fund A fund used to account for the receipts and expenditures related to all specific bond funds in the district. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

Replacement Fund The fund accounts for monies used in the building, restoration or improvement of property which has been totally or partially destroyed due to any cause. Such property may have become unfit for use necessitating its demolition in whole or in part, and may require repair or restoration before it can be used.

Classroom Facilities Fund A fund provided to account for monies received and expended in connection with contracts entered into by the school district and the Ohio School Facilities Commission for the building and equipping of classroom facilities.

Sandusky City School District
Erie County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2022

	Permanent Improvement Fund	Building Fund	Replacement Fund	Classroom Facilities Fund	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Investments	\$ 1,511,635	\$ 36,653	\$ 26,673	\$ 1,046,358	\$ 2,621,319
Cash and Investments in Segregated Accounts	-	1,547,367	-	1,440,796	2,988,163
Receivables:					
Intergovernmental	-	-	-	214,469	214,469
Property Taxes	877,541	-	-	-	877,541
<i>Total Assets</i>	<u>\$ 2,389,176</u>	<u>\$ 1,584,020</u>	<u>\$ 26,673</u>	<u>\$ 2,701,623</u>	<u>\$ 6,701,492</u>
Liabilities					
Accounts Payable	\$ 37,050	\$ -	\$ -	\$ -	\$ 37,050
Contracts Payable	-	6,300	-	26,857	33,157
<i>Total Liabilities</i>	<u>37,050</u>	<u>6,300</u>	<u>-</u>	<u>26,857</u>	<u>70,207</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	727,176	-	-	-	727,176
Unavailable Revenue	9,641	-	-	214,469	224,110
<i>Total Deferred Inflows of Resources</i>	<u>736,817</u>	<u>-</u>	<u>-</u>	<u>214,469</u>	<u>951,286</u>
Fund Balances					
Restricted	1,615,309	1,577,720	-	2,460,297	5,653,326
Assigned	-	-	26,673	-	26,673
<i>Total Fund Balances</i>	<u>1,615,309</u>	<u>1,577,720</u>	<u>26,673</u>	<u>2,460,297</u>	<u>5,679,999</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 2,389,176</u>	<u>\$ 1,584,020</u>	<u>\$ 26,673</u>	<u>\$ 2,701,623</u>	<u>\$ 6,701,492</u>

Sandusky City School District
Erie County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2022

	Permanent Improvement Fund	Building Fund	Replacement Fund	Classroom Facilities Fund	Total Nonmajor Capital Projects Funds
Revenues:					
Property and Other Local Taxes	\$ 910,215	\$ -	\$ -	\$ -	\$ 910,215
Intergovernmental	91,215	-	-	4,759,294	4,850,509
Investment Income	-	(6,741)	-	20,563	13,822
Contributions and Donations	12,000	-	-	-	12,000
Payments in Lieu of Taxes	691	-	-	-	691
<i>Total Revenues</i>	<u>1,014,121</u>	<u>(6,741)</u>	<u>-</u>	<u>4,779,857</u>	<u>5,787,237</u>
Expenditures:					
Current:					
Instruction:					
Regular	217,671	-	-	-	217,671
Fiscal	18,125	-	-	-	18,125
Pupil Transportation	32,840	-	-	-	32,840
Central	30,462	-	-	-	30,462
Extracurricular Activities	11,591	-	-	-	11,591
Capital Outlay	317,865	209,085	-	3,237,593	3,764,543
<i>Total Expenditures</i>	<u>628,554</u>	<u>209,085</u>	<u>-</u>	<u>3,237,593</u>	<u>4,075,232</u>
<i>Net Change in Fund Balance</i>	385,567	(215,826)	-	1,542,264	1,712,005
<i>Fund Balance at Beginning of Year</i>	<u>1,229,742</u>	<u>1,793,546</u>	<u>26,673</u>	<u>918,033</u>	<u>3,967,994</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,615,309</u>	<u>\$ 1,577,720</u>	<u>\$ 26,673</u>	<u>\$ 2,460,297</u>	<u>\$ 5,679,999</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 868,058	\$ 868,048	\$ (10)
Intergovernmental	91,215	91,215	-
Payments in Lieu of Taxes	691	691	-
Gifts and Donations	12,000	12,000	-
<i>Total Revenues</i>	<u>971,964</u>	<u>971,954</u>	<u>(10)</u>
Expenditures:			
Current:			
Instruction:			
Regular	217,671	217,671	-
Support Services:			
Fiscal	18,125	18,125	-
Pupil Transportation	32,840	32,840	-
Central	56,657	56,657	-
Extracurricular Activities	11,591	11,591	-
Capital Outlay	375,202	375,202	-
<i>Total Expenditures</i>	<u>712,086</u>	<u>712,086</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	259,878	259,868	(10)
<i>Fund Balance at Beginning of Year</i>	1,087,343	1,087,343	-
Prior Year Encumbrances Appropriated	50,542	50,542	-
<i>Fund Balance at End of Year</i>	<u>\$ 1,397,763</u>	<u>\$ 1,397,753</u>	<u>\$ (10)</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Investment Income	\$ 20,893	19,123	\$ (1,770)
Expenditures:			
Capital Outlay	1,563,812	1,563,889	(77)
<i>Net Change in Fund Balance</i>	(1,542,919)	(1,544,766)	(1,847)
<i>Fund Balance at Beginning of Year</i>	2,749,306	2,749,306	-
Prior Year Encumbrances Appropriated	145,676	145,676	-
<i>Fund Balance at End of Year</i>	<u>\$ 1,352,063</u>	<u>\$ 1,350,216</u>	<u>\$ (1,847)</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Replacement Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 26,673	\$ 26,673	\$ -
<i>Fund Balance at End of Year</i>	\$ 26,673	\$ 26,673	\$ -

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Classroom Facilities Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 5,712,439	\$ 5,707,939	\$ (4,500)
Investment Income	24,043	24,809	766
<i>Total Revenues</i>	<u>5,736,482</u>	<u>5,732,748</u>	<u>(3,734)</u>
Expenditures:			
Capital Outlay	<u>5,940,533</u>	<u>5,940,605</u>	<u>(72)</u>
<i>Net Change in Fund Balance</i>	(204,051)	(207,857)	(3,806)
<i>Fund Balance at Beginning of Year</i>	1,440,934	1,440,934	-
Prior Year Encumbrances Appropriated	<u>525,265</u>	<u>525,265</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 1,762,148</u>	<u>\$ 1,758,342</u>	<u>\$ (3,806)</u>

Sandusky City School District
Erie County, Ohio
Fund Description – Nonmajor Permanent Fund

Permanent Fund This fund accounts for and report resources that are restricted to the extent that only earnings, and not principal, may be used for the purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. The permanent fund does not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Nonmajor Governmental Funds Combining Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual follows this page.

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Permanent Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Investment Income	\$ 1,347	\$ (18,438)	\$ (19,785)
<i>Net Change in Fund Balance</i>	1,347	(18,438)	(19,785)
<i>Fund Balance at Beginning of Year</i>	156,137	156,137	-
<i>Fund Balance at End of Year</i>	\$ 157,484	\$ 137,699	\$ (19,785)

Sandusky City School District
Erie County, Ohio
Fund Descriptions – Other General Funds

With the implementation of GASB Statement No. 54, certain funds that the School District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The School District has only presented the budget schedules for these funds.

Adult Education Fund This fund accounts for transactions made in connection with adult education classes.

Rotary Fund This fund accounts for monies from local sources which provides for field trips for the students.

Public School Support Fund This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs.

Unclaimed Monies Fund - This fund accounts for resources that are unclaimed monies that have not been distributed. The fund balance of this fund is nonspendable.

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Adult Education Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 455,335	\$ 455,335	\$ -
Tuition and Fees	1,116,919	948,256	(168,663)
Gifts and Donations	100	100	-
Miscellaneous	189,260	189,260	-
<i>Total Revenues</i>	<u>1,761,614</u>	<u>1,592,951</u>	<u>(168,663)</u>
Expenditures:			
Current:			
Instruction:			
Adult/ Continuing	<u>1,757,229</u>	<u>1,588,417</u>	<u>168,812</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,385</u>	<u>4,534</u>	<u>149</u>
Other Financing Sources (Uses):			
Other Financing Uses	(236,450)	(236,450)	-
Transfers In	<u>75,227</u>	<u>75,227</u>	<u>-</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(161,223)</u>	<u>(161,223)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(156,838)	(156,689)	149
<i>Fund Balance at Beginning of Year</i>	125,217	125,217	-
Prior Year Encumbrances Appropriated	<u>35,947</u>	<u>35,947</u>	<u>-</u>
<i>Fund Balance at End of Year</i>	<u>\$ 4,326</u>	<u>\$ 4,475</u>	<u>\$ 149</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Rotary Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 3,534	\$ 3,534	\$ -
Gifts and Donations	19,309	19,309	-
Miscellaneous	2,627	2,627	-
<i>Total Revenues</i>	<u>25,470</u>	<u>25,470</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Regular	54,272	35,341	18,931
Extracurricular Activities	2,702	2,702	-
<i>Total Expenditures</i>	<u>56,974</u>	<u>38,043</u>	<u>18,931</u>
<i>Net Change in Fund Balance</i>	(31,504)	(12,573)	18,931
<i>Fund Balance at Beginning of Year</i>	288,277	288,277	-
Prior Year Encumbrances Appropriated	517	517	-
<i>Fund Balance at End of Year</i>	<u>\$ 257,290</u>	<u>\$ 276,221</u>	<u>\$ 18,931</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 56,754	\$ 56,754	\$ -
Gifts and Donations	20,112	20,112	-
<i>Total Revenues</i>	<u>76,866</u>	<u>76,866</u>	<u>-</u>
Expenditures:			
Current:			
Extracurricular Activities	108,137	84,572	23,565
<i>Net Change in Fund Balance</i>	(31,271)	(7,706)	23,565
<i>Fund Balance at Beginning of Year</i>	65,122	65,122	-
Prior Year Encumbrances Appropriated	2,472	2,472	-
<i>Fund Balance at End of Year</i>	<u>\$ 36,323</u>	<u>\$ 59,888</u>	<u>\$ 23,565</u>

Sandusky City School District
Erie County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Unclaimed Monies Fund
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance
Other Financing Sources (Uses):			
Refund of Prior Year Expenditures	8,611	8,611	-
<i>Net Change in Fund Balance</i>	8,611	8,611	-
<i>Fund Balance at Beginning of Year</i>	31,428	31,428	-
<i>Fund Balance at End of Year</i>	\$ 40,039	\$ 40,039	\$ -

Sandusky City School District
Erie County, Ohio
Fund Descriptions – Fiduciary Funds

Fiduciary funds types are used to account for assets held by a School District in a trustee capacity or as an agent for individuals, private organizations, other governmental entities and/or other funds.

Association Library Fund This fund accounts for the collection and remittance of the local library tax levy.

Athletic Tournament Fund This fund accounts for OHSAA tournament monies.

Sandusky City School District
Erie County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

	Association Library Fund	Athletic Tournament Fund	Total
Assets			
Equity in Pooled Cash and Investments	\$ -	\$ 50,493	\$ 50,493
Receivables:			
Property Taxes	658,146	-	658,146
<i>Total Assets</i>	<u>658,146</u>	<u>50,493</u>	<u>708,639</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	545,373	-	545,373
Net Position			
Restricted for Individuals, Organizations and Other Governments	<u>\$ 112,773</u>	<u>\$ 50,493</u>	<u>\$ 163,266</u>

Sandusky City School District
Erie County, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2022

	Association Library Fund	Athletic Tournament Fund	Total
Additions:			
Extracurricular Amounts Collected for Other Governments	\$ -	\$ 16,050	\$ 16,050
Property Tax Collections for Other Governments	678,289	-	678,289
State Funds Collected for Other Governments	68,411	-	68,411
<i>Total Additions</i>	<u>746,700</u>	<u>16,050</u>	<u>762,750</u>
Deductions:			
Extracurricular Distributions to Other Governments	-	1,019	1,019
Property Tax Distributions to Other Governments	650,322	-	650,322
Distributions of State Funds to Other Governments	69,114	-	69,114
<i>Total Deductions</i>	<u>719,436</u>	<u>1,019</u>	<u>720,455</u>
<i>Net Change in Net Position</i>	27,264	15,031	42,295
<i>Net Position Beginning of Year</i>	<u>85,509</u>	<u>35,462</u>	<u>120,971</u>
<i>Net Position End of Year</i>	<u>\$ 112,773</u>	<u>\$ 50,493</u>	<u>\$ 163,266</u>

Statistical Section

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Sandusky City School District
Erie County, Ohio
Statistical Narrative

Statistical Section

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

Contents

Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.

Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax.

Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

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

Sandusky City School District
Erie County, Ohio
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Schedule 1

	2022	2021	Restated 2020	2019	2018	Restated 2017	2016	2015	2014 (1)	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 43,232,957	\$ 45,137,012	\$ 32,937,677	\$ 16,849,363	\$ 8,723,039	\$ 10,627,825	\$ 10,691,843	\$ 10,635,896	\$ 10,570,451	\$ 9,650,349
Restricted	22,842,484	18,763,417	31,267,192	35,973,442	41,346,946	37,925,259	2,354,770	2,130,209	2,261,685	1,306,846
Unrestricted	(43,228,449)	(48,750,531)	(50,353,108)	(43,800,436)	(47,214,912)	(71,703,704)	(52,967,354)	(58,077,949)	(63,149,693)	(212,978)
<i>Total Governmental Activities</i>										
<i>Net Position</i>	<u>\$ 22,846,992</u>	<u>\$ 15,149,898</u>	<u>\$ 13,851,761</u>	<u>\$ 9,022,369</u>	<u>\$ 2,855,073</u>	<u>\$ (23,150,620)</u>	<u>\$ (39,920,741)</u>	<u>\$ (45,311,844)</u>	<u>\$ (50,317,557)</u>	<u>\$ 10,744,217</u>
Primary Government:										
Net Investment in Capital Assets	\$ 43,232,957	\$ 45,137,012	\$ 32,937,677	\$ 16,849,363	\$ 8,723,039	\$ 10,627,825	\$ 10,691,843	\$ 10,635,896	\$ 10,570,451	\$ 9,650,349
Restricted	22,842,484	18,763,417	31,267,192	35,973,442	41,346,946	37,925,259	2,354,770	2,130,209	2,261,685	1,306,846
Unrestricted	(43,228,449)	(48,750,531)	(50,353,108)	(43,800,436)	(47,214,912)	(71,703,704)	(52,967,354)	(58,077,949)	(63,149,693)	(212,978)
<i>Total Primary Government</i>										
<i>Net Position</i>	<u>\$ 22,846,992</u>	<u>\$ 15,149,898</u>	<u>\$ 13,851,761</u>	<u>\$ 9,022,369</u>	<u>\$ 2,855,073</u>	<u>\$ (23,150,620)</u>	<u>\$ (39,920,741)</u>	<u>\$ (45,311,844)</u>	<u>\$ (50,317,557)</u>	<u>\$ 10,744,217</u>

Source: School District Records

(1) - Fiscal year 2014 had a large decrease in unrestricted net position due to the implementation of GASB 68.

Note - Due to the implementation of GASB 75 in fiscal year 2018, fiscal year 2017 has been restated to reflect changes. However, we are unable to restate numbers for fiscal years 2012 to 2016 due to information not being available.

Note - Due to the implementation of GASB 84 in fiscal year 2021, fiscal year 2020 has been restated to reflect changes.

Sandusky City School District
Erie County, Ohio
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Schedule 2

	2022	2021	2020	2019	2018	2017	2016	2015	2014 (1)	2013
Expenses:										
Governmental Activities:										
Instruction	\$ 30,477,691	\$ 42,706,598	\$ 39,691,907	\$ 32,264,034	\$ 22,476,864	\$ 36,502,846	\$ 31,824,045	\$ 31,501,248	\$ 32,492,793	\$ 30,355,691
Pupil Support	3,200,817	4,099,163	3,092,367	2,428,648	1,480,059	2,645,569	2,478,935	2,235,345	2,054,942	1,964,202
Instructional Staff Support	1,867,911	2,220,080	1,965,197	1,564,929	626,711	2,242,858	2,008,040	1,951,925	1,730,658	2,762,425
Board of Education	305,498	159,203	190,761	308,466	344,959	204,630	182,920	193,601	203,832	162,727
Administration	3,477,906	4,101,182	4,014,354	3,243,804	589,210	3,437,227	3,206,215	3,190,007	2,926,608	2,621,850
Fiscal	840,232	845,024	874,902	898,763	625,243	895,004	888,242	718,377	790,525	757,378
Business	351,203	483,450	325,643	249,977	94,905	195,897	174,113	135,626	272,987	131,172
Operation and Maintenance of Plant	4,298,728	4,418,791	3,988,666	4,598,614	1,944,026	3,349,576	3,160,807	3,095,214	3,063,508	2,590,459
Pupil Transportation	2,621,630	1,712,788	2,125,788	1,996,342	838,067	2,058,289	1,997,595	1,688,292	1,680,628	1,362,330
Central	1,029,747	1,127,368	950,666	871,834	301,687	718,953	524,488	390,519	234,488	806,153
Operation of Non-Instructional Services	3,013,604	2,930,815	3,247,340	3,421,467	2,571,647	3,373,837	3,039,467	2,725,322	2,473,124	2,732,734
Extracurricular Activities	1,473,162	996,690	1,479,342	1,293,630	626,236	1,362,308	1,111,967	1,129,613	959,167	974,228
Interest and Fiscal Charges	1,383,757	1,370,984	1,433,486	1,498,633	1,501,259	957,888	23,994	24,129	66,312	69,213
Total Primary Government Expenses	\$ 54,341,886	\$ 67,172,136	\$ 63,380,419	\$ 54,639,141	\$ 34,020,873	\$ 57,944,882	\$ 50,620,828	\$ 48,979,418	\$ 48,949,572	\$ 47,290,562
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction	\$ 1,627,860	\$ 2,714,388	\$ 2,059,126	\$ 2,561,534	\$ 2,077,702	\$ 1,448,617	\$ 1,360,636	\$ 1,397,406	\$ 1,368,131	\$ 1,297,573
Operation and Maintenance of Plant	1,112	170	1,174	646	13,471	49,153	80,554	65,518	75,775	67,628
Operation of Non-Instructional Services	69,199	17,329	51,488	89,243	82,284	105,070	104,431	128,010	258,744	303,114
Extracurricular Activities	413,931	125,469	218,041	287,050	270,534	271,479	224,213	196,680	206,555	203,577
Operating Grants and Contributions	12,256,249	18,426,233	11,136,811	9,799,829	11,177,521	10,347,117	10,961,374	7,178,726	9,015,833	8,411,980
Capital Grants and Contributions:	25,822	1,925	-	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	14,394,173	21,285,514	13,466,640	12,738,302	13,621,512	12,221,436	12,731,208	8,966,350	10,925,038	10,283,872
Total Primary Government Net Expense	\$ (39,947,713)	\$ (45,886,622)	\$ (49,913,779)	\$ (41,900,839)	\$ (20,399,361)	\$ (45,723,446)	\$ (37,889,620)	\$ (40,013,068)	\$ (38,024,534)	\$ (37,006,690)

Source: School District records

Sandusky City School District
Erie County, Ohio
General Revenues and Total Change in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Schedule 3

	2022	2021	2020	2019	2018	2017	2016	2015	2014 (1)	2013
Net (Expense) Revenue:										
<i>Total Primary Government Net Expense</i>	<u>\$ (39,947,713)</u>	<u>\$ (45,886,622)</u>	<u>\$ (49,913,779)</u>	<u>\$ (41,900,839)</u>	<u>\$ (20,399,361)</u>	<u>\$ (45,723,446)</u>	<u>\$ (37,889,620)</u>	<u>\$ (40,013,068)</u>	<u>\$ (38,024,534)</u>	<u>\$ (37,006,690)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property and Other Local Taxes Levied For:										
General Purposes	21,372,060	20,020,831	19,111,641	19,053,400	19,438,510	17,187,235	19,740,487	19,124,841	17,374,591	18,220,036
Debt Service	1,942,921	2,004,076	1,707,766	1,888,813	1,770,975	1,339,894	-	-	-	-
Special Revenue Purposes	240,468	235,040	211,403	232,623	219,185	165,834	-	-	-	-
Capital Projects	904,403	860,067	809,172	820,602	839,651	744,731	855,061	835,589	762,374	823,323
Grants and Entitlements not Restricted to Specific Programs	22,081,926	23,005,519	22,489,251	24,468,154	22,872,601	22,807,488	22,033,603	23,814,431	19,486,593	18,461,183
Payments in Lieu of Taxes	157,268	55,429	2,271	43,950	20,490	31,517	34,951	41,219	100,209	102,072
Investment Earnings	11,730	46,019	601,232	980,444	390,086	67,359	19,599	7,666	26,696	9,650
Miscellaneous	934,031	957,778	428,681	580,149	853,556	387,671	597,022	1,195,035	1,491,820	589,425
Capital Contributions	-	-	-	-	-	35,207,198	-	-	-	-
<i>Total Governmental Activities</i>	<u>47,644,807</u>	<u>47,184,759</u>	<u>45,361,417</u>	<u>48,068,135</u>	<u>46,405,054</u>	<u>77,938,927</u>	<u>43,280,723</u>	<u>45,018,781</u>	<u>39,242,283</u>	<u>38,205,689</u>
<i>Total Primary Government</i>	<u>\$ 47,644,807</u>	<u>\$ 47,184,759</u>	<u>\$ 45,361,417</u>	<u>\$ 48,068,135</u>	<u>\$ 46,405,054</u>	<u>\$ 77,938,927</u>	<u>\$ 43,280,723</u>	<u>\$ 45,018,781</u>	<u>\$ 39,242,283</u>	<u>\$ 38,205,689</u>
Change in Net Position										
Governmental Activities	<u>\$ 7,697,094</u>	<u>\$ 1,298,137</u>	<u>\$ (4,552,362)</u>	<u>\$ 6,167,296</u>	<u>\$ 26,005,693</u>	<u>\$ 32,215,481</u>	<u>\$ 5,391,103</u>	<u>\$ 5,005,713</u>	<u>\$ 1,217,749</u>	<u>\$ 1,198,999</u>
<i>Total Primary Government</i>	<u>\$ 7,697,094</u>	<u>\$ 1,298,137</u>	<u>\$ (4,552,362)</u>	<u>\$ 6,167,296</u>	<u>\$ 26,005,693</u>	<u>\$ 32,215,481</u>	<u>\$ 5,391,103</u>	<u>\$ 5,005,713</u>	<u>\$ 1,217,749</u>	<u>\$ 1,198,999</u>

Source: School District records

Sandusky City School District
Erie County, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 4

	Fiscal Year									
	2022	2021	Restated 2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 40,039	\$ 83,731	\$ 63,801	\$ 64,763	\$ 4,671	\$ -	\$ 30,961	\$ -	\$ -	\$ 64,541
Assigned	5,222,962	3,020,484	2,669,162	1,546,763	120,547	304,845	318,814	192,021	208,268	1,816,219
Unassigned	5,613,892	7,544,424	4,361,725	7,252,256	7,612,818	6,030,338	6,364,340	1,873,657	(897,206)	(2,580,760)
<i>Total General Fund</i>	<u>10,876,893</u>	<u>10,648,639</u>	<u>7,094,688</u>	<u>8,863,782</u>	<u>7,738,036</u>	<u>6,335,183</u>	<u>6,714,115</u>	<u>2,065,678</u>	<u>(688,938)</u>	<u>(700,000)</u>
All Other Governmental Funds										
Nonspendable	10,168,627	10,169,767	8,566,066	15,785	10,594	10,000	13,452	10,000	10,000	22,129
Restricted	12,365,623	10,223,685	14,650,569	30,989,911	42,045,745	39,634,666	1,995,607	1,776,592	2,080,963	1,203,970
Assigned	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673	26,673
Unassigned (Deficit)	(2,154,181)	(275,880)	(246,393)	(162,908)	(294,611)	(328,622)	(27,891)	(7,969)	(165,951)	(181,927)
<i>Total All Other Governmental Funds</i>	<u>20,406,742</u>	<u>20,144,245</u>	<u>22,996,915</u>	<u>30,869,461</u>	<u>41,788,401</u>	<u>39,342,717</u>	<u>2,007,841</u>	<u>1,805,296</u>	<u>1,951,685</u>	<u>1,070,845</u>
<i>Total Governmental Funds</i>	<u>\$ 31,283,635</u>	<u>\$ 30,792,884</u>	<u>\$ 30,091,603</u>	<u>\$ 39,733,243</u>	<u>\$ 49,526,437</u>	<u>\$ 45,677,900</u>	<u>\$ 8,721,956</u>	<u>\$ 3,870,974</u>	<u>\$ 1,262,747</u>	<u>\$ 370,845</u>

Source: School District records

Note - Due to the implementation of GASB 84 in fiscal year 2021, fiscal year 2020 has been restated to reflect changes.

Sandusky City School District
Erie County, Ohio
Governmental Funds Revenues
Last Ten Fiscal Years (1)
(Modified Accrual Basis of Accounting)
Schedule 5

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Property and Other Local Taxes	\$ 24,611,898	\$ 23,120,115	\$ 21,984,724	\$ 22,325,941	\$ 22,425,968	\$ 19,719,291	\$ 21,221,664	\$ 20,137,379	\$ 18,307,878	\$ 19,140,681
Intergovernmental	37,265,007	47,698,543	44,816,887	33,875,149	42,398,993	32,912,425	32,759,032	30,835,766	28,166,554	26,822,780
Investment Income	(613,370)	2,335,986	598,921	975,834	416,541	67,017	19,599	8,975	26,696	15,592
Tuition and Fees	1,596,680	2,709,423	2,229,295	2,352,254	2,063,686	1,417,570	1,348,300	1,387,475	1,354,777	1,288,703
Extracurricular Activities	405,152	127,581	221,329	281,773	267,030	293,590	220,360	189,331	203,708	203,122
Charges for Services	82,254	18,099	56,936	105,503	99,806	114,348	120,622	145,300	350,721	382,958
Rent	28,016	2,253	10,843	10,363	-	-	-	-	-	-
Contributions and Donations	671,806	983,143	423,555	613,894	340,837	142,994	150,000	200,000	100,000	-
Payments in Lieu of Taxes	157,268	55,429	20,117	23,240	20,490	31,517	34,951	41,219	100,209	102,072
Miscellaneous	903,213	957,778	525,905	485,789	584,112	373,496	627,639	1,049,217	1,557,868	685,108
Total Revenues	\$ 65,107,924	\$ 78,008,350	\$ 70,888,512	\$ 61,049,740	\$ 68,617,463	\$ 55,072,248	\$ 56,502,167	\$ 53,994,662	\$ 50,168,411	\$ 48,641,016
Source: School District records										

Sandusky City School District
Erie County, Ohio
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 6

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenditures:										
Current:										
Instruction	\$ 33,159,009	\$ 38,245,125	\$ 37,197,883	\$ 36,199,438	\$ 35,467,908	\$ 34,562,996	\$ 32,050,211	\$ 32,880,203	\$ 31,348,010	\$ 29,676,350
Support Services:										
Pupils	3,617,513	3,758,150	3,069,603	2,781,640	2,743,797	2,527,682	2,488,927	2,299,340	2,164,420	1,922,813
Instructional Staff	2,062,802	2,155,211	1,754,077	1,814,406	1,870,311	2,010,985	2,074,358	2,014,057	1,764,700	2,839,513
Board of Education	305,498	159,203	190,761	308,466	356,839	203,529	183,299	194,630	203,832	162,727
Administration	3,927,318	3,717,022	3,615,191	3,603,362	3,521,258	3,051,312	3,260,548	3,310,284	2,848,770	2,717,723
Fiscal	890,347	814,712	829,512	864,824	982,380	859,360	896,818	729,998	822,485	762,283
Business	374,758	462,695	275,998	236,786	190,215	187,197	175,532	138,848	273,063	131,178
Operation and Maintenance of Plant	4,378,652	3,847,860	3,438,225	3,676,774	3,240,959	3,268,133	3,151,264	3,155,450	3,056,465	2,927,716
Pupil Transportation	2,676,839	1,387,260	1,871,478	1,992,016	1,883,377	1,916,040	1,824,172	1,649,338	1,696,551	1,578,101
Central	1,122,287	1,016,767	812,306	794,326	645,043	625,776	481,530	383,971	629,014	1,581,951
Operation of Non-Instructional Services	3,115,066	2,815,392	3,073,266	3,412,419	3,081,942	3,296,384	3,012,464	2,759,075	2,508,004	2,812,178
Extracurricular Activities	1,559,562	914,694	1,367,627	1,403,424	1,343,161	1,264,795	1,118,836	1,166,587	1,047,831	1,141,822
Capital Outlay	5,737,806	16,186,673	30,900,166	11,905,228	6,940,545	453,540	776,465	548,266	607,530	273,498
Debt Service:										
Principal Retirement	502,652	594,231	355,000	345,000	975,000	116,922	135,966	136,731	240,057	284,554
Interest and Fiscal Charges	1,217,882	1,426,700	1,440,192	1,504,825	1,550,659	668,033	23,994	24,129	66,312	69,213
Total Expenditures	\$ 64,647,991	\$ 77,501,695	\$ 90,191,285	\$ 70,842,934	\$ 64,793,394	\$ 55,012,684	\$ 51,654,384	\$ 51,390,907	\$ 49,277,044	\$ 48,881,620
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	<u>459,933</u>	<u>506,655</u>	<u>(19,302,773)</u>	<u>(9,793,194)</u>	<u>3,824,069</u>	<u>59,564</u>	<u>4,847,783</u>	<u>2,603,755</u>	<u>891,367</u>	<u>(240,604)</u>
Debt Service as a Percentage of Noncapital Expenditures	2.90%	3.26%	3.04%	3.12%	4.39%	1.44%	0.31%	0.32%	0.65%	0.73%

Source: School District records

Sandusky City School District
Erie County, Ohio
Other Financing Sources and Uses and Net Change in Fund Balances
Last Ten Fiscal Year
(Modified Accrual Basis of Accounting)
Schedule 7

	2021	2021	2020	2019	2018	2017	2016	2015	2014	2013
Other Financing Sources (Uses):										
Issuance of Bonds	\$ -	\$ 9,091,341	\$ 22,634,051	\$ -	\$ -	\$ 34,150,000	\$ -	\$ -	\$ -	\$ -
Bond Premiums	-	723,503	2,184,264	-	-	2,733,858	-	-	-	-
Payment to Refund Bond Escrow Agent	-	(9,620,218)	(24,538,936)	-	-	-	-	-	-	-
Proceeds from Sale of Assets	30,818	-	-	-	24,468	12,522	3,199	4,472	535	1,010
Transfers In	-	116,959	-	114,590	110,240	19,999,836	16,513	40,000	1,976	40,719
Transfers Out	-	(116,959)	-	(114,590)	(110,240)	(19,999,836)	(16,513)	(40,000)	(1,976)	(40,719)
<i>Total Financing Sources and (Uses)</i>	<u>30,818</u>	<u>194,626</u>	<u>279,379</u>	<u>-</u>	<u>24,468</u>	<u>36,896,380</u>	<u>3,199</u>	<u>4,472</u>	<u>535</u>	<u>1,010</u>
<i>Net Change in Fund Balance</i>	<u>\$ 490,751</u>	<u>\$ 701,281</u>	<u>\$ (19,023,394)</u>	<u>\$ (9,793,194)</u>	<u>\$ 3,848,537</u>	<u>\$ 36,955,944</u>	<u>\$ 4,850,982</u>	<u>\$ 2,608,227</u>	<u>\$ 891,902</u>	<u>\$ (239,594)</u>

Source: School District records

Sandusky City School District
Erie County, Ohio
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years (1)
Schedule 8

Calendar Year	Public		Total		Direct Rate
	Real Property	Utilities Personal	Assessed Value	Estimated Actual Value	
2022	\$ 487,739,590	\$ 28,018,530	\$ 515,758,120	\$ 1,425,380,925	\$ 84.35
2021	448,323,270	26,302,380	474,625,650	1,310,812,697	85.00
2020	445,778,720	24,480,490	470,259,210	1,301,472,225	86.45
2019	443,557,540	23,240,630	466,798,170	1,293,717,064	86.52
2018	439,938,320	21,783,450	461,721,770	1,319,205,058	86.57
2017	439,675,310	20,622,650	460,297,960	1,315,137,028	86.57
2016	434,803,970	24,933,580	459,737,550	1,313,535,857	82.03
2015	442,355,190	17,826,120	460,181,310	1,314,803,742	82.03
2014	443,263,180	16,854,120	460,117,300	1,314,620,858	82.03
2013	444,717,630	15,218,660	459,936,290	1,314,103,686	82.03

Source: County Auditor

(1) - Assessed values shown in this schedule will not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method the county auditors maintain this information.

Note: The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, the 2 1/2% and the homestead exemptions before being billed.

Sandusky City School District
Erie County, Ohio
Direct and Overlapping Property Tax Rates
Last Ten Collection Years
Schedule 9

<u>Calendar Year</u>	<u>District Direct Rates (1)</u>	<u>Overlapping Rates (1)</u>		
		<u>Erie County</u>	<u>City of Sandusky</u>	<u>Library</u>
2022	\$ 84.35	\$ 8.60	\$ 5.11	\$ 1.50
2021	85.00	7.60	5.18	1.50
2020	86.45	7.60	5.18	1.50
2019	86.52	9.00	5.25	1.50
2018	86.57	9.10	5.25	1.50
2017	86.57	9.10	5.25	1.50
2016	82.03	9.10	5.25	1.50
2015	82.03	8.90	4.25	1.50
2014	82.03	8.80	4.25	1.50
2013	82.02	8.80	4.25	1.50

Source: Erie County Auditor

(1) - The components that make up the District Direct Rate were not available from the County Auditor, only the Total Direct Rate is available.

Sandusky City School District
Erie County, Ohio
Principal Property Taxpayers
Current and Nine Calendar Years Ago
Schedule 10

Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
December 31, 2021		
Cedar Fair	\$ 34,608,010	7.29%
Ohio Edison Company	14,813,200	3.12%
American Transmissions Systems	7,139,360	1.50%
Columbia Gas of Ohio	5,823,780	1.23%
Norfolk & Western Railway Company	4,583,470	0.97%
Fireland Regional Medical Center	3,431,310	0.72%
S&S Reality Ltd.	3,179,700	0.67%
K&M Interiors	3,029,950	0.64%
Sandusky Housing	1,950,440	0.41%
Providence Care Center	1,678,220	0.35%
Totals	<u>\$ 80,237,440</u>	<u>16.90%</u>
Total Assessed Valuation	<u>\$ 474,625,650</u>	
December 31, 2012		
Cedar Fair	\$ 39,263,700	8.10%
Ohio Edison Company	10,499,620	2.17%
Norfolk & Western Railway Company	4,300,480	0.89%
Fireland Regional Medical Center	3,840,670	0.79%
Key Real Estate Ltd.	3,656,490	0.75%
S&S Reality Ltd.	3,456,310	0.71%
Columbia Gas	2,414,260	0.50%
Myers Industries, Inc.	2,306,800	0.48%
Providence Care Center	2,074,890	0.43%
CNL Income Sandusky Marina	1,995,010	0.41%
Totals	<u>\$ 73,808,230</u>	<u>15.23%</u>
Total Assessed Valuation	<u>\$ 484,811,000</u>	

Source: Erie County Auditor

Sandusky City School District
Erie County, Ohio
Property Tax Levies and Collections
Last Ten Collection Years
Schedule 11

Calendar Year (1)	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Current Collections (2)	Percent of Levy		Total Collection	Percent of Levy
2021	\$ 25,664,405	\$ 24,572,343	95.74%	\$ 1,075,610	\$ 25,647,953	99.94%
2020	25,269,439	24,239,827	95.93%	699,685	24,939,512	98.69%
2019	26,862,866	24,076,381	89.63%	1,119,174	25,195,555	93.79%
2018	26,725,443	23,730,473	88.79%	1,301,382	25,031,855	93.66%
2017	26,786,094	24,784,097	92.53%	1,143,322	25,927,419	96.79%
2016	25,907,539	23,418,250	90.39%	1,077,727	24,495,977	94.55%
2015	25,790,953	22,562,329	87.48%	1,024,376	23,586,705	91.45%
2014	25,586,853	22,316,070	87.22%	1,208,385	23,524,455	91.94%
2013	25,624,152	22,180,851	86.56%	1,122,650	23,303,501	90.94%
2012	23,609,523	20,103,937	85.15%	819,623	20,923,560	88.62%

Source: Erie County Auditor.

(1) Represents collection year. 2022 information cannot be presented because all collections have not been made by June 30.

(2) State reimbursements of rollback and homestead exemptions are included.

Sandusky City School District
Erie County, Ohio
Outstanding Debt by Type
Last Ten Fiscal Years
Schedule 12

Fiscal Year	Governmental Activities		Debt Service Fund Balance	Net Bonded General Obligation Bonds	Net Bonded Debt Per Capita	Ratio of Net Bonded Debt to Actual Value of Taxable Property (1)	Total Debt Outstanding	Percentage of Personal Income (1)	Net Debt Per Capita
	General Obligation Bonds	Capital Leases							
2022	\$ 34,754,312	\$ -	\$ 2,113,862	\$ 32,640,450	\$ 1,265	2.29%	\$ 34,754,312	0.77%	\$ 1,347
2021	35,089,675	-	1,876,858	33,212,817	1,288	2.53%	35,089,675	0.84%	1,360
2020	35,517,382	-	1,648,334	33,869,048	1,313	2.58%	35,517,382	0.77%	1,377
2019	35,547,895	-	1,379,197	34,168,698	1,325	2.63%	35,547,895	0.76%	1,378
2018	35,897,929	-	1,312,883	34,585,046	1,341	2.67%	35,897,929	0.75%	1,392
2017	36,883,858	-	2,000,011	34,883,847	1,352	2.64%	36,883,858	1.06%	1,430
2016	-	116,922	-	-	-	0.00%	116,922	0.00%	5
2015	-	252,888	-	-	-	0.00%	252,888	0.01%	10
2014	-	389,619	-	-	-	0.00%	389,619	0.01%	15
2013	-	629,676	-	-	-	0.00%	629,676	0.02%	24

Source: School District Records

(1) On the calendar year basis

Sandusky City School District
Erie County, Ohio
Direct and Overlapping General Obligation Bonded Debt
as of June 30, 2022
Schedule 13

	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Application to School District
Direct:			
Sandusky City School District	\$ 31,368,509	100.00%	\$ 31,368,509
Overlapping:			
Erie County	6,775,657	19.89%	1,347,678
Sandusky City	10,745,000	100.00%	10,745,000
Total Overlapping	17,520,657		12,092,678
Total	\$ 48,889,166		\$ 43,461,187

Source: Ohio Municipal Advisory Council.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

Sandusky City School District
Erie County, Ohio
Legal Debt Margin Information
Last Ten Years
Schedule 14

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Assessed Valuation (2)	\$ 515,758,120	\$ 474,625,650	\$ 470,259,210	\$ 466,798,170	\$ 466,798,170	\$ 461,721,770	\$ 460,297,960	\$ 459,737,550	\$ 460,181,310	\$ 460,117,300
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 46,418,231	\$ 42,716,309	\$ 42,323,329	\$ 42,011,835	\$ 42,011,835	\$ 41,554,959	\$ 41,426,816	\$ 41,376,380	\$ 41,416,318	\$ 41,410,557
Outstanding debt:										
General Obligation Bonds	34,754,312	35,089,675	35,517,382	35,547,895	35,897,929	36,883,858	-	-	-	-
Less Amount Available in Debt Service Fund	(2,113,862)	(1,876,858)	(1,648,334)	(1,379,197)	(1,312,883)	(2,000,011)	-	-	-	-
Total	32,640,450	33,212,817	33,869,048	34,168,698	34,585,046	34,883,847	-	-	-	-
Amount of Debt Subject to Debt Limit:	32,640,450	33,212,817	33,869,048	34,168,698	34,585,046	34,883,847	-	-	-	-
Overall Debt Margin	\$ 13,777,781	\$ 9,503,492	\$ 8,847,261	\$ 7,843,137	\$ 7,426,789	\$ 6,671,112	\$ 41,426,816	\$ 41,376,380	\$ 41,416,318	\$ 41,410,557
Legal Debt Margin as a Percentage of Debt Limit	30%	22%	20%	19%	17%	16%	100%	100%	100%	100%
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 515,758	\$ 474,626	\$ 470,259	\$ 466,798	\$ 461,722	\$ 460,298	\$ 459,738	\$ 460,181	\$ 460,117	\$ 459,936
Amount of Debt Applicable	-	-	-	-	-	-	-	-	-	-
Unvoted Debt Margin	\$ 515,758	\$ 474,626	\$ 470,259	\$ 466,798	\$ 461,722	\$ 460,298	\$ 459,738	\$ 460,181	\$ 460,117	\$ 459,936
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Sources: Erie County Auditor and School District Financial Records.

- (1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.
- (2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

Sandusky City School District
Erie County, Ohio
Demographic and Economic Statistics
Last Ten Years
Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars (2))	Per Capita Personal Income (3)	Unemployment Rate (4)
2022	25,066	\$ 4,539,350	\$ 58,239	4.6%
2021	25,095	4,182,256	56,732	8.7%
2020	24,564	4,591,197	61,821	5.2%
2019	25,793	4,670,236	62,591	4.0%
2018	25,793	4,799,998	64,157	5.0%
2017	25,793	3,471,576	46,222	5.9%
2016	25,793	3,723,307	49,283	5.0%
2015	25,793	3,260,811	43,003	6.2%
2014	25,793	3,201,413	42,097	7.5%
2013	25,793	3,112,036	40,735	7.3%

Sources:

- (1) Population estimates provided by the U.S. Census Bureau
- (2) Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Erie County
- (3) Per Capita Personal income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Erie County
- (4) Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information - Annual Average for Erie County

Sandusky City School District
Erie County, Ohio
Major Employers (1)
Current and Nine Calendar Years Ago
Schedule 16

<u>Major Employers</u>	<u>Type</u>	<u>2021</u>	
		<u>Number of Employees</u>	<u>Percentage of Total Employment</u>
Cedar Fair L.P./Magnum	Entertainment	5,500	15.76%
Firelands Regional Medical Center	Hospital	2,001	5.73%
Ventra (was ACH)	Automotive	1,900	5.44%
Klahari Resort	Entertainment	1,053	3.02%
Erie Caounty	Government	750	2.15%
Ohio Veterans Home	Health Care Facility	627	1.80%
Sandusky City School District	Education	478	1.37%
Meijer Department Store	Retail	475	1.36%
Corso's Flower & Garden Center	Florist	400	1.15%
Walmart	Retail	350	1.00%
Total		<u>13,534</u>	<u>38.78%</u>
Total County Civilian Workforce		<u>34,900</u>	

<u>Major Employers</u>	<u>Type</u>	<u>2012</u>	
		<u>Number of Employees</u>	<u>Percentage of Total Employment</u>
Firelands Regional Medical Center	Hospital	1,976	5.19%
Cedar Fair L.P./Magnum	Entertainment	1,700	4.46%
Klahari Resort	Entertainment	1,100	2.89%
Kyklos Bearing International	Automotive	790	2.07%
Erie Caounty	Government	780	2.05%
Ohio Veterans Home	Health Care Facility	671	1.76%
International Automotive Components	Automotive	593	1.56%
Sandusky City School District	Education	508	1.33%
Total		<u>8,118</u>	<u>21.31%</u>
Total County Civilian Workforce		<u>38,100</u>	

Source: Erie County Economic Development Corporation Bureau of Labor Statistics.

(1) - Major Employers for all of Erie County.

Sandusky City School District
Erie County, Ohio
Certified Staff Training
Last Ten Fiscal Years
Schedule 17

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Certified Staff Training										
Bachelors Degree	40	32	31	35	40	35	30	21	18	13
Bachelors Degree +12	17	17	18	19	20	18	11	10	8	7
Bachelors Degree +24	35	39	34	30	15	41	37	38	36	43
Masters Degree	56	55	42	48	73	62	54	63	66	69
Masters Degree +12	43	48	53	52	35	59	51	55	55	58
Masters Degree +24	83	87	77	73	90	88	76	72	68	68
Total Certified Staff Training	<u>274</u>	<u>278</u>	<u>255</u>	<u>257</u>	<u>273</u>	<u>303</u>	<u>259</u>	<u>259</u>	<u>251</u>	<u>258</u>

Source: School District records

Sandusky City School District
Erie County, Ohio
School District Employees by Function/Program
Last Ten Fiscal Years
Schedule 18

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Administration:	41	36	34	35	30	32	28	28	26	26
Adult Education:	5	6	6	6	7	4	5	5	5	5
Certified Staff:										
Teaching Staff:										
Preschool	9	7	7	7	7	7	6	7	5	5
Elementary School K-6	126	128	117	119	128	120	120	119	107	107
Jr. High School 7-8	38	33	31	31	32	35	29	28	34	34
High School 9-12	70	66	62	62	61	66	63	54	61	66
Tutors	7	9	13	13	21	20	15	13	13	15
Others	11	11	7	7	0	0	9	22	15	15
Auxiliary Positions:										
Counselors	7	6	7	7	7	7	7	7	7	7
Speech Therapists	8	8	7	7	6	6	6	6	6	6
Psychologists	4	4	4	4	4	6	4	3	3	3
Total Certified Staff	280	272	255	257	266	267	259	259	251	258
Support Staff:										
Secretarial	21	27	32	32	37	37	26	30	36	32
Teacher Aides	69	69	58	60	55	50	50	52	39	39
Technical	6	4	3	3	1	1	1	2	1	1
Cafeteria Workers	26	28	29	29	27	25	25	25	23	23
Custodial	31	31	26	26	23	25	23	22	21	22
Maintenance	5	4	4	4	3	4	4	4	4	4
Bus Driver	29	25	26	26	26	28	25	26	30	31
Mechanics	2	2	2	2	2	2	2	1	1	1
Total Support Staff	189	190	180	182	174	172	156	162	155	153
Totals	515	504	475	480	477	475	448	454	437	442

Source: School District Records.

Sandusky City School District
Erie County, Ohio
Per Pupil Cost
Last Ten Fiscal Years
Schedule 19

Year	Enrollment	Operating Expenditures (1)	Expenses (2)	Cost Per Pupil (3)	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage (4)	% Students Receiving Reduced or No Cost Lunches
2022	3,822	\$ 57,189,651	\$ 54,341,886	\$ 14,963	-8208.25%	274	14	0.00%	100.00%
2021	3,220	59,294,091	67,172,136	(185)	-101.01%	278	12	0.00%	100.00%
2020	3,234	57,495,927	63,380,419	18,335	2.68%	255	13	94.50%	100.00%
2019	3,220	57,087,881	54,639,141	17,856	21.19%	257	13	92.40%	100.00%
2018	3,755	55,327,190	34,020,873	14,734	3.03%	303	12	93.20%	100.00%
2017	3,760	53,774,189	57,944,882	14,302	9.33%	303	12	95.80%	100.00%
2016	3,877	50,717,959	50,620,828	13,082	-13.12%	259	15	94.30%	100.00%
2015	3,366	50,681,781	48,979,418	15,057	2.32%	259	13	94.30%	100.00%
2014	3,291	48,363,145	48,949,572	14,716	17.39%	251	13	93.90%	77.73%
2013	3,855	48,254,355	47,290,562	12,535	-4.94%	258	15	94.20%	76.34%

Source: School District Financial Records, Ohio Department of Education

(1) - Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6.

(2) - Expenses is Total Expenses from Schedule 2.

(3) - Operating Expenditure by Enrollment.

(4) - Not readily available for 2022.

Sandusky City School District
Erie County, Ohio
Building Enrollment and Capacity
Last Ten Fiscal Years
Schedule 20

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Hancock Elementary (3)										
Constructed in 1923 with an addition in 1928, 1931, 1949, & 1966										
Total Building Square Footage	(3)	(3)	47,223	47,223	47,223	47,223	47,223	47,223	47,223	47,223
Enrollment	(3)	(3)	403	403	423	485	496	462	409	343
Student Capacity	(3)	(3)	525	525	525	525	525	525	525	525
Percentage of Capacity (1)	(3)	(3)	76.8%	76.8%	80.6%	92.4%	94.5%	88.0%	77.9%	65.3%
Mills Elementary-Early Learning Academy										
Constructed in 1939 with an addition in 1991										
Total Building Square Footage	38,605	38,605	38,605	38,605	38,605	38,605	38,605	38,605	38,605	38,605
Enrollment	(2)	355	364	364	378	412	424	390	371	316
Student Capacity	(2)	475	475	475	475	475	475	475	475	475
Percentage of Capacity	(2)	74.7%	76.6%	76.6%	79.6%	86.7%	89.3%	82.1%	78.1%	66.5%
Ontario Elementary (3)										
Constructed in 1952 with additions in 1968										
Total Building Square Footage	(3)	(3)	(3)	(3)	(3)	42,347	42,347	42,347	42,347	42,347
Enrollment	(3)	(3)	(3)	(3)	(3)	396	420	440	452	429
Student Capacity	(3)	(3)	(3)	(3)	(3)	500	500	500	500	500
Percentage of Capacity	(3)	(3)	(3)	(3)	(3)	79.2%	84.0%	88.0%	90.4%	85.8%
Osborn Elementary (2)										
Constructed in 1952 with additions in 1968										
Total Building Square Footage	43,842	43,842	43,842	43,842	43,842	43,842	43,842	43,842	43,842	43,842
Enrollment	(2)	(2)	353	353	353	383	384	371	380	374
Student Capacity	(2)	(2)	375	375	375	375	375	375	375	375
Percentage of Capacity	(2)	(2)	94.1%	94.1%	94.1%	102.1%	102.4%	98.9%	101.3%	99.7%
Venice Heights Elementary (4)										
Constructed in 1970										
Total Building Square Footage	43,740	43,740	43,740	43,740	43,740	43,740	43,740	43,740	43,740	43,740
Enrollment	-	-	282	282	279	345	390	399	403	363
Student Capacity	550	550	550	550	550	550	550	550	550	550
Percentage of Capacity	0.0%	0.0%	51.3%	51.3%	50.7%	62.7%	70.9%	72.5%	73.3%	66.0%
Adams Jr. High-RCAAS										
Constructed in 1867 with additions in 1914 and 1977										
Total Building Square Footage	91,935	91,935	91,935	91,935	91,935	91,935	91,935	91,935	91,935	91,935
Enrollment	88	88	348	348	367	(2)	(2)	(2)	(2)	(2)
Student Capacity	500	500	500	500	500	(2)	(2)	(2)	(2)	(2)
Percentage of Capacity	17.6%	17.6%	69.6%	69.6%	73.4%	(2)	(2)	(2)	(2)	(2)

Source: School District Records

- (1) - Enrollment divided by Capacity
- (2) - School was closed
- (3) - School was demolished in 2018 as part of the new construction project.
- (4) - School was Closed for k12 education and opened for adult education

Sandusky City School District
Erie County, Ohio
Building Enrollment and Capacity
Last Ten Fiscal Years
Schedule 20

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Jackson Jr. High-Digital Academy										
Constructed in 1898 with additions in 1927 and 1937										
Total Building Square Footage	86,994	86,994	86,994	86,994	86,994	86,994	86,994	86,994	86,994	86,994
Enrollment	102	102	102	102	102	(2)	(2)	(2)	(2)	(2)
Student Capacity	500	500	500	500	500	(2)	(2)	(2)	(2)	(2)
Percentage of Capacity	20.4%	20.4%	20.4%	20.4%	0	(2)	(2)	(2)	(2)	(2)
Sandusky High School										
Constructed in 1957 with additions in 1967, 1970, 1973, and 2019										
Total Building Square Footage	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000	370,000
Enrollment	1,800	941	725	725	848	1,323	1,219	1,304	1,276	1,170
Student Capacity	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Percentage of Capacity	80.0%	41.8%	32.2%	32.2%	37.7%	58.8%	54.2%	58.0%	56.7%	52.0%
Sandusky Primary										
Constructed in 2020										
Total Building Square Footage										
Enrollment	67,282	67,282	-	-	-	-	-	-	-	-
Student Capacity	528	482	-	-	-	-	-	-	-	-
Percentage of Capacity	548	548	-	-	-	-	-	-	-	-
	96.4%	88.0%	-	-	-	-	-	-	-	-
Sandusky Intermediate										
Constructed in 2020										
Total Building Square Footage	141,591	141,591	-	-	-	-	-	-	-	-
Enrollment	1,088	894	-	-	-	-	-	-	-	-
Student Capacity	990	990	-	-	-	-	-	-	-	-
Percentage of Capacity	109.9%	90.3%	-	-	-	-	-	-	-	-
Sandusky Early Learning Academy										
Constructed in 2021										
Total Building Square Footage	56,646	-	-	-	-	-	-	-	-	-
Enrollment	406	-	-	-	-	-	-	-	-	-
Student Capacity	400	-	-	-	-	-	-	-	-	-
Percentage of Capacity	101.5%	-	-	-	-	-	-	-	-	-

Source: School District Records

(1) - Enrollment divided by Capacity

(2) - School was closed

(3) - School was demolished in 2018 as part of the new construction project.

OHIO AUDITOR OF STATE KEITH FABER



SANDUSKY CITY SCHOOL DISTRICT

ERIE 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 4/11/2023

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