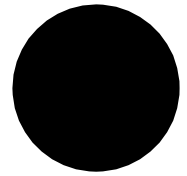


FAIRBORN CITY SCHOOL DISTRICT

GREENE COUNTY, OHIO



Annual Comprehensive Financial Report 2021

FAIRBORN, OHIO

FOR THE FISCAL YEAR
ENDED JUNE 30, 2021

Fairborn City School District
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Members of the Board
Fairborn City School District
306 East Whittier Avenue
Fairborn, OH 45324

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Fairborn 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

January 26, 2022

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ANNUAL COMPREHENSIVE
FINANCIAL REPORT

OF THE

FAIRBORN CITY
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2021

PREPARED BY
TREASURER'S DEPARTMENT
KEVIN PHILO, TREASURER/CFO

306 E. WHITTIER AVE.

FAIRBORN, OHIO 45324

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

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Fairborn City Schools

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Superintendent: **Gene Lolli**
Treasurer: **Kevin Philo**
Student Services/H.R.: **Gary Walker**
Public Relations/Grant Writer: **Pam Gayheart**
Curriculum: **Sue Brackenhoff**
Business Affairs: **Jeff Patrick**
Educational Services/H.R.: **Amy Gayheart**

December 17, 2021

Board of Education Members and Citizens of the Fairborn City School District:

As the Superintendent and Treasurer/CFO of the Fairborn City School District (the "District"), we are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) issued by the District. This report provides full disclosure of the financial operation of the District for the fiscal year ended June 30, 2021. This ACFR, which includes an opinion from Julian & Grube, Inc. (who performed the District's audit) conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. This report is available to the Chamber of Commerce, major taxpayers, the public library, financial rating services, and other interested parties.

The District is located in Southwestern Ohio and is comprised of the City of Fairborn, which is a part of Greene County. As a suburb of Dayton, Fairborn City School District is in Fairborn, Ohio located northeast of Dayton at the intersection of I-70 and I-675. The District serves an area of 40 square miles encompassing both the City of Fairborn and Bath Township. The community has continued to grow over the past 20 years. Fairborn is home to Wright State University, the Ervin J. Nutter Center and Wright Patterson AFB. The Parks & Recreation Department maintains 383.54 acres of park land consisting of 13 parks, a 36 acre nature reserve, and the Kauffman Avenue Bikeway. The City of Fairborn also has a strong Chamber of Commerce that coordinates business partnerships with each of our schools. The Districts current buildings were first built in the 1950's and 1960's and have undergone various renovations through the years. The District is in the current process of building new elementary buildings, a new middle and high school to better serve the current needs of the District's students.

The District provides a full range of educational programs and services. These include diverse learning opportunities at the elementary and secondary levels. Educational opportunities range from comprehensive career and technical programs to college preparatory classes with an emphasis on honors and Advanced Placement course work. A broad range of clubs, co-curricular and extracurricular activities are available to students so that they may have a well-rounded educational experience in Fairborn Schools. Special education services are in-depth and provide the support necessary for our students with disabilities to be successful. The District also provides support for adult and community learning. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a non-major governmental fund. The District currently serves approximately 4,142 students in grades pre-K through 12th Grade.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code for the purpose of providing educational services authorized by charter and further mandated by State and/or Federal agencies. A five member Board of Education (the "Board") serves as the taxing authority, contracting body and policy maker for the District. The Board adopts the annual operating budget and approves all expenditures of District monies.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer/CFO is the chief financial officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as specified by Ohio law. The District adopts an annual budget for all governmental funds.

Other Board appointed officials includes directors of educational and support services and building principals.

QUALITY IN EDUCATION

The District strives to maintain quality schools that not only reflect the philosophy of the community but help to maintain property values as well. While the emphasis is on the educational program itself, the District continues to maintain expectations for excellence in our students, staff, and programs. We feel it is appropriate to briefly review some of the District's quality benchmarks that define the foundation upon which the success of our programs are built:

- ❖ Fairborn City Schools has completed the construction of one new elementary building and is in the process of building another new elementary school with funding from the Fairborn community and the Ohio Facilities Construction Commission.

- ❖ In November 2020, the voters of Fairborn approved a new bond issue which will allow the construction of a new high school to be completed in August 2024 and will also qualify for revenues from the State of Ohio through the OFCC ELPP program to build a new middle school, thus allowing the District to have some of the newest educational buildings in the Miami Valley once completed.
- ❖ In September of 2020, the District received a private donation of \$2.5 million to buy 86 acres of property to construct a new high school and middle school. The same donor earlier in the year donated an additional \$750,000 for new technology purchases.
- ❖ In May 2021, the voters of Fairborn City Schools approved a 7.0 mill replacement levy with a 57% positive vote. This levy replaces a temporary emergency levy with a permanent one that also allows for some additional revenue from new construction.
- ❖ All schools in our district are designated as “Purple Star” schools from the Ohio Department of Education for our commitment to and our support of our military students and families.
- ❖ Fairborn High School Freshman Focus program helps with the transition from middle school to high school and includes curriculum and discussion topics to help freshmen adapt to high school and to help build a positive culture at Fairborn High School.
- ❖ Fairborn City Schools partners with local service organizations to give back to the Fairborn community-teaching the value of community and community service. From the Fairborn FISH Pantry to the Goodwill Drive to Victory and the “Senior to Senior” Prom, our students are developing leadership skills through community service.
- ❖ Fairborn improved on the Ohio Department of Education report card one whole letter grade and performs better than comparable districts.
- ❖ Fairborn City Schools has a Military and Family Life Counselor (MFLC) who works with students and families supporting service members and their families and addressing the day-to-day stressors of military life.
- ❖ The annual Fairborn City Schools “Hall of Honor” recognizes the achievements of outstanding Fairborn graduates and those in the community who have achieved excellence in their chosen field of work. Each year, the Selection and Induction committees work together to plan the ceremony recognizing these outstanding individuals.
- ❖ Fairborn City Schools is increasing technology in all classrooms with the student to Chromebook ratio at 2:1.
- ❖ Technology instruction at the elementary schools is increasing student technology literacy and basic technology skills-very important because of required online state testing.
- ❖ Curriculum is vertically aligned ensuring that students are learning new content at each grade level and increasing communication between grade levels and subject areas.
- ❖ Project Lead the Way STEM curriculum is offered at both Baker Middle School and Fairborn High School. With PLTW, College Credit Plus, Digital Academy and the Greene Country Career Center-Fairborn City Schools offers many options to meet the individual needs of our students.
- ❖ Fairborn City Schools offers excellent special education, gifted, and college preparatory classes.
- ❖ Fairborn works closely with Wright State University and Wright Patterson Air Force Base to enhance the educational opportunities for our students. WSU offers professional development support and College Credit Plus. Wright Patterson Air Force Base provides judges for Science Fair and the WPAFB Educational Outreach office provides teacher workshops, Lego League and the Wizards of Wright programs for our students.
- ❖ The District Leadership Team (DLT) and Building Leadership Team (BLT) examine best instructional practices and building data to enhance student achievement.
- ❖ Fairborn City Schools has a strong partnership with the City of Fairborn and shares the cost of three School Resource Officers who work in our buildings.
- ❖ Fairborn City Schools has outstanding music programs including orchestra, band and choir. Every year, Fairborn High School presents a high school musical in the spring. Fairborn Intermediate School and Fairborn Primary School also host holiday musicals to highlight the talent of our youngest Skyhawks.
- ❖ Many local community members support Fairborn City Schools by creating scholarships which are awarded each year to graduating seniors. These scholarships are housed at Greene Giving and are a shining commitment of our graduates and community to “pay it forward” for the leaders of tomorrow.

THE REPORTING ENTITY

The District has reviewed its reporting entity definition in order to ensure conformance with GASB. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. The District has no component units nor is it a component unit of any other governmental entity. The City of Fairborn has been excluded from the accompanying financial statements.

ECONOMIC CONDITIONS AND OUTLOOK

The District's population has been stable the past several years with only minimal changes from year to year. The U.S. Census completed in 2010, represented a combined population of 71,744 people in 25,000 households living in the City of Fairborn and Bath Township. Bath Township has realized the most residential growth as it encompasses land available for expansion. Unfortunately, the City of Fairborn has limited land available for residential development. On the other hand, commercial development has increased modestly in both Bath Township and the City of Fairborn.

The State of Ohio is in the first year of biennial budget. The District is expecting to receive slightly more funding in fiscal year 2022 than it received in 2021.

MAJOR INITIATIVES FOR THE FUTURE

Full implementation of the newly revised Strategic Plan will keep the District focused on student learning through high-quality, differentiated instruction, efficiency and effectiveness of district operations, and vibrant school-community partnerships.

With the full implementation of these plans and directives, the District will continue the academic excellence and fiscal accountability standards that the community has come to expect of the Fairborn City School District.

LONG-TERM FINANCIAL PLANNING

The Ohio Department of Education requires school districts to submit a five year forecast in October and May each year. The forecast provides three years of historical financial data and five years of revenue and expenditure estimates. The forecast is a benchmark used by administrators and the Fairborn Board of Education to determine the current and future costs of existing educational programs and sustainability of proposed educational initiatives.

FINANCIAL INFORMATION

Internal Accounting and Budgetary Control. The District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Governmental fund operations are presented on the modified accrual basis, whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Proprietary funds and the private-purpose trust fund operations are presented on the accrual basis, whereby revenues are recognized when earned, and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the county Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of fiscal year. Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all budgeted funds. All purchase order requests must be approved by the Director of Business Affairs and certified by the Treasurer/CFO; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports, which detail year-to-date expenditures and encumbrances versus the original appropriation, plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. As an additional safeguard, a blanket bond covers all employees, and a separate, higher limit bond covers certain individuals in policy-making roles.

The basis of accounting, the basis of presentation of the District's various funds, and information on budgetary accounting can be found in Note 2 to the financial statements.

FINANCIAL REPORTING

The basic financial statements for reporting on the District's financial activities are as follows:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by business enterprises. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District did not have any business-type activities.

Fund financial statements: These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting. The District has no proprietary funds.

Schedule of budgetary comparisons: This schedule presents comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The budgetary comparison for the general fund has been presented as part of the basic financial statements.

Management is responsible for preparing a Discussion and Analysis (MD&A) of the District. This discussion appears after the Independent Auditor's Report in the financial section of this report. The MD&A provides an assessment of the District's finances for 2021. The MD&A is intended to be read in conjunction with this letter of transmittal.

INDEPENDENT AUDIT

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the district's accounting and budgetary controls. Independent auditor Julian & Grube Inc, was selected to render an opinion on the District's financial statements as of and for the fiscal year ended June 30, 2021. The opinion appears at the beginning of the financial section of this report.

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

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fairborn City School District for its ACFR for the fiscal year ended June 30, 2020. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

The Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ASBO Certificate of Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Annual Comprehensive Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of the School Business Officials. The award is granted only after an intensive review of the financial report by an all-expert panel of certified public accountants and practicing school business officials.

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2020. The District believes that the Annual Comprehensive Financial Report for fiscal year June 30, 2021, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

USE OF THIS REPORT

This ACFR is published to provide to the School Board, as well as to our residents and other interested persons, detailed information concerning the financial condition of the District. We believe the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial activity of our funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial activity have been included. Copies of the ACFR are available at the District's offices for use by the public.

ACKNOWLEDGMENTS

The publication of the report significantly increases the accountability of the District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to Julian & Grube, Inc. who provided technical assistance on this report. Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully,



Kevin Philo
Treasurer/CFO



Gene Lolli
Superintendent

FAIRBORN CITY SCHOOL DISTRICT

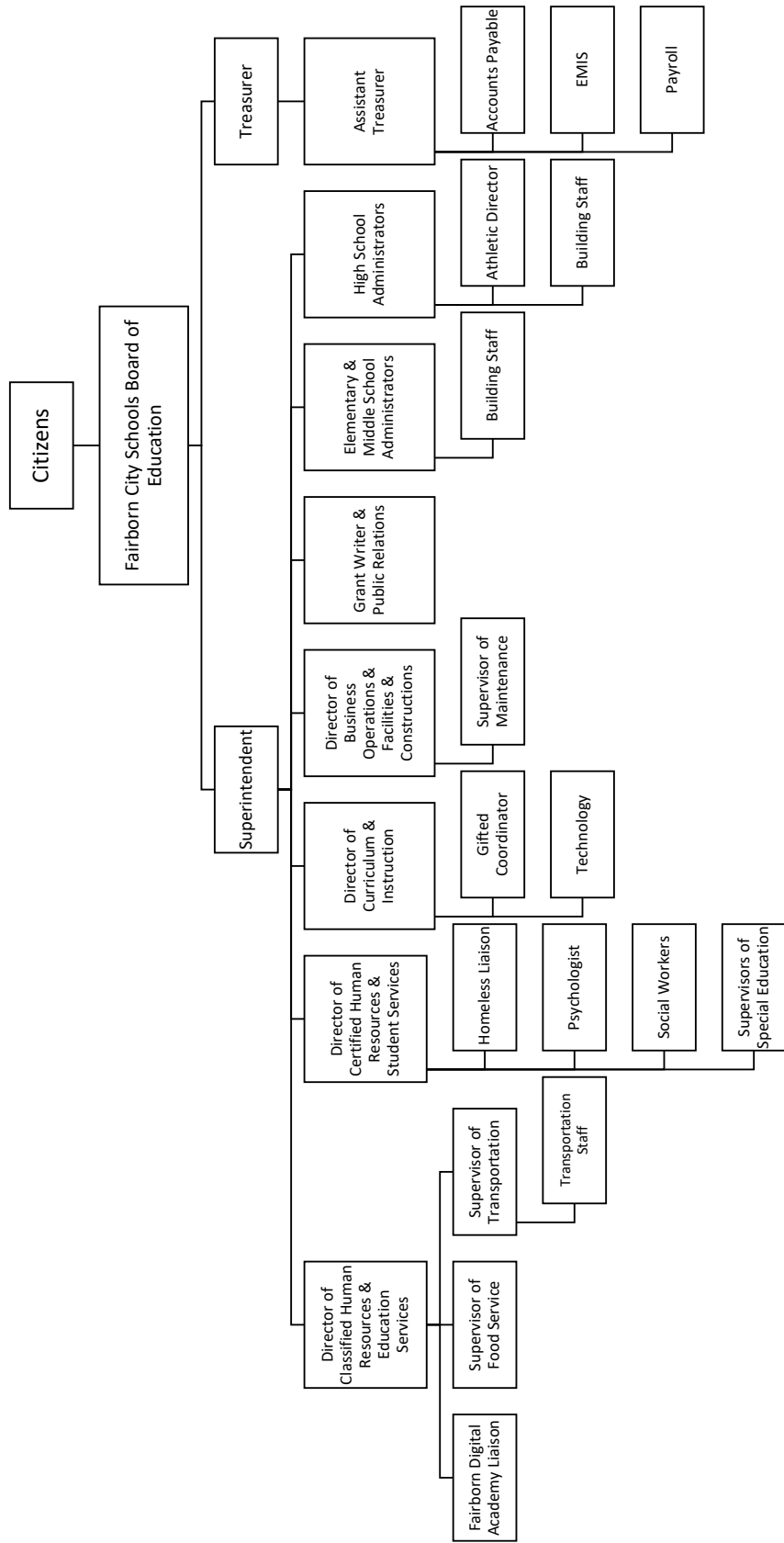
PRINCIPAL OFFICERS

Board of Education

Mr. Pat McCoart	Board Member, President
Mr. Jerry Browning	Board Member, Vice President
Mr. Andrew Wilson	Board Member
Mrs. Katie Mlod	Board Member
Ms. Mary Reastor	Board Member

Administration

Mr. Gene Lolli	Superintendent
Mr. Kevin Philo	Treasurer
Mr. Jeffrey Patrick	Director, Business Affairs and Classified Personnel
Dr. Sue Brackenhoff	Director, Curriculum and Instruction
Mr. Gary Walker	Director, Student Services, Certified Personnel
Mrs. Pamela Gayheart	District Public Relations, Grants, Website
Ms. Amy Gayheart	Director of Classified Personnel/Education Services





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Fairborn City School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Fairborn City School District

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

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



Handwritten signature of W. Edward Chabal in black ink.

W. Edward Chabal
President

Handwritten signature of David J. Lewis in black ink.

David J. Lewis
Executive Director

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Independent Auditor's Report

Fairborn City School District
Greene County
306 East Whittier Avenue
Fairborn, Ohio 45324

To the Board of Education:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fairborn City School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fairborn City School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

As described in Note 22 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Fairborn City School District. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the Fairborn City 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fairborn City 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 Fairborn City School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 17, 2021

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Financial Highlights

Key financial highlights for 2021 are as follows:

- In total, net position of governmental activities decreased \$2,361,666 which represents a 22.20% decrease from 2020's net position.
- General revenues accounted for \$50,830,598 in revenue or 79.52% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$13,092,314 or 20.48% of total revenues of \$63,922,912.
- The District had \$66,284,578 in expenses related to governmental activities; only \$13,092,314 of these expenses was offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$50,830,598 were not adequate to provide for these programs.
- The District's major governmental funds are the general fund, the debt service fund, the building fund, and the classroom facilities fund. The general fund had \$52,185,101 in revenues and other financing sources and \$53,031,723 in expenditures and other financing uses. During fiscal year 2021, the general fund's fund balance decreased \$846,622 from \$30,011,920 to \$29,165,298.
- The debt service fund had \$18,285,055 in revenues and other financing sources and \$13,218,778 in expenditures. During fiscal year 2021, the debt service fund's fund balance increased \$5,066,277 from \$1,712,182 to \$6,778,459 the District starting to collect on a 5.83 mil bond issue passed in November of 2020 and the District issuing general obligation bonds during the year for a new high school.
- The building fund had \$76,880,578 in revenues and other financing sources and \$4,220,102 in expenditures. During fiscal year 2021, the building fund's fund balance increased \$72,660,476 from \$5,080,962 to \$77,741,438 due to the District issuing \$17,820,000 in Series 2021 Certificate of Participation, \$48,475,000 in Series 2021A Construction Bonds, and \$9,800,000 in bond anticipation notes to build a new high school.
- The classroom facilities fund had \$4,685,833 in revenues and \$7,941,295 in expenditures. During fiscal year 2021, the classroom facilities fund's fund balance decreased \$3,255,462 from \$14,741,006 to \$11,485,544 as the District continues construction on two new elementary schools.

Using the Annual Comprehensive Financial Report (ACFR)

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the 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 District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, debt service fund, building fund, and classroom facilities fund are by far the most significant funds and are reported as a major funds.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

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

These two statements report the District's *net position* and changes in that net position. This change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the 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 District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the governmental activities include the District's programs and services, including instruction, support services, operation of non-instructional services, extracurricular activities, and interest and fiscal charges.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 25. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, debt service fund, building fund, and classroom facilities fund.

Governmental Funds

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

Reporting the District's Fiduciary Responsibilities

The District acts in a trustee capacity as an agent for individuals. These activities are reported in a custodial fund. All of the District's fiduciary activities are reported in a separate statement of changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset.

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2021 and 2020.

	Net Position - Governmental Activities	
	2021	2020
<u>Assets</u>		
Current and other assets	\$ 170,699,433	\$ 98,076,232
Net OPEB asset	2,998,079	2,711,587
Capital assets, net	47,073,553	35,388,792
Total assets	220,771,065	136,176,611
<u>Deferred outflows of resources</u>		
Pension	11,522,841	9,817,120
OPEB	2,095,433	1,355,515
Total deferred outflows	13,618,274	11,172,635
<u>Liabilities</u>		
Current liabilities	9,576,127	8,977,424
Long-term liabilities:		
Due within one year	3,280,195	1,863,795
Due in more than one year:		
Net pension liability	54,822,334	47,819,786
Net OPEB liability	4,623,904	4,996,726
Other amounts	123,163,651	43,212,347
Total liabilities	195,466,211	106,870,078
<u>Deferred inflows of resources</u>		
Property taxes and PILOTS	23,683,644	21,566,507
Deferred gain on refunding	158,885	188,217
Pensions	713,027	3,170,782
OPEB	6,089,238	4,913,662
Total deferred inflows	30,644,794	29,839,168
<u>Net Position</u>		
Net investment in capital assets	(93,439)	(484,418)
Restricted	31,438,830	30,678,684
Unrestricted (deficit)	(23,067,057)	(19,554,266)
Total net position (deficit)	\$ 8,278,334	\$ 10,640,000

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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

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

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

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

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

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Over time, net position can serve as a useful indicator of a government’s financial position. At June 30, 2021, the District’s assets plus deferred outflows of resources were greater than liabilities plus deferred inflows of resources by \$8,278,334.

At year-end, capital assets represented 21.32% of total assets. Capital assets include land, construction in progress (CIP), land improvements, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets at June 30, 2021, was a deficit of \$93,439. These capital assets are used to provide services to the students and are not available for future spending. Although the 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.

Current assets of the District increased \$72,623,201. This increase is primarily the result of an increase in cash and investments due to the District issuing \$85,030,000 in certificates of participation, bonds, and notes..

Deferred outflows related to pension increased primarily due to the net difference between projected and actual earnings on pension plan investments by the State Teachers Retirement System (STRS). See Note 11 for more detail.

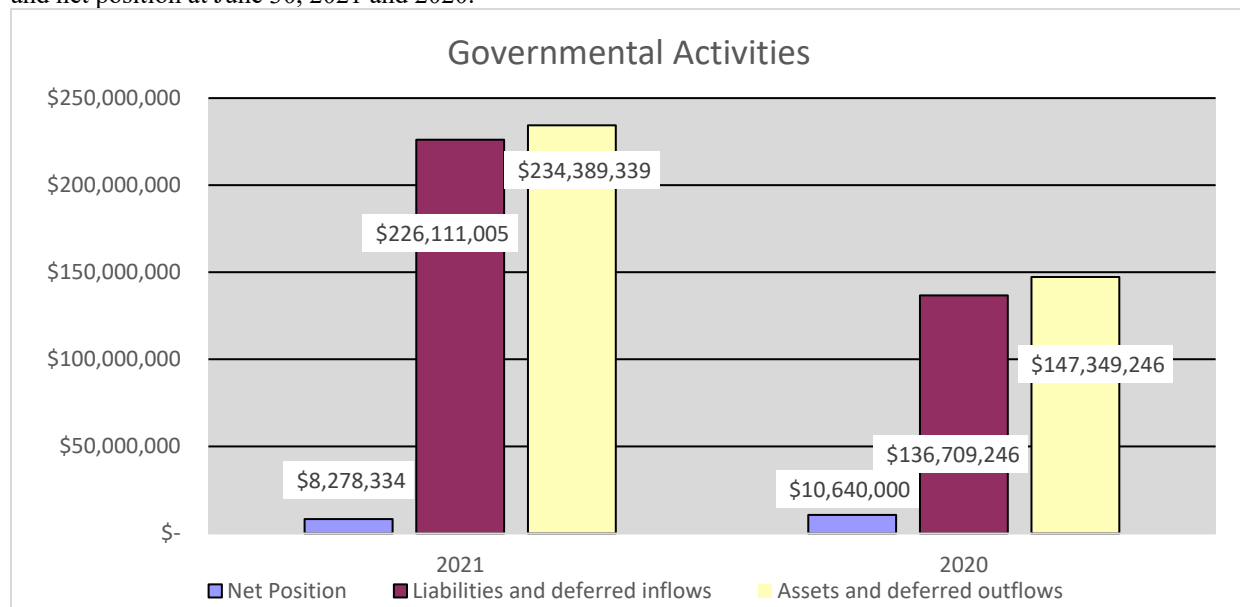
Total assets include a net OPEB asset reported by STRS. See Note 12 for more detail.

Long-term liabilities increased primarily due to the District issuing \$85,030,000 in certificates of participation, bonds, and notes as well as an increase in the net pension liability. This liability is outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it’s the pension systems that collect, hold and distribute pensions and OPEB to District employees, not the District.

Deferred inflows related to pension decreased primarily due to the net difference between projected and actual earnings on pension plan investments by STRS. See Note 11 for more detail.

A portion of the District’s net position, \$31,438,830, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$23,067,057 at June 30, 2021.

The graph below shows the District’s assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2021 and 2020.



**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The table below shows the change in net position for fiscal years 2021 and 2020.

	Change in Net Position - Governmental Activities	
	2021	2020
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 946,068	\$ 1,204,238
Operating grants and contributions	9,504,359	10,355,087
Capital grants and contributions	2,641,887	113,200
General revenues:		
Property taxes and PILOTS	23,983,522	20,308,422
Income taxes	4,925,852	4,415,664
Grants and entitlements	21,778,237	21,302,276
Investment earnings	177,734	1,073,175
Increase (decrease) in fair value of investments	(105,412)	205,980
Miscellaneous	70,665	198,896
Total revenues	<u>63,922,912</u>	<u>59,176,938</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	22,401,703	19,862,935
Special	11,898,072	11,709,404
Vocational	318,832	287,459
Other	3,678,047	3,507,565
Support services:		
Pupil	5,058,887	4,043,757
Instructional staff	1,388,407	1,300,971
Board of education	83,013	107,446
Administration	3,762,031	3,390,578
Fiscal	1,150,606	918,855
Business	711,371	542,361
Operations and maintenance	4,938,741	4,321,706
Pupil transportation	3,561,006	3,142,630
Central	1,018,636	663,119
Operation of non-instructional services:		
Food services	1,753,584	2,148,206
Other non-instructional services	121,694	42,993
Extracurricular activities	1,423,567	1,195,071
Interest and fiscal charges	3,016,381	1,532,154
Total expenses	<u>66,284,578</u>	<u>58,717,210</u>
Change in net position	(2,361,666)	459,728
Net position (deficit) at beginning of year	<u>10,640,000</u>	<u>10,180,272</u>
Net position at end of year	<u>\$ 8,278,334</u>	<u>\$ 10,640,000</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Governmental Activities

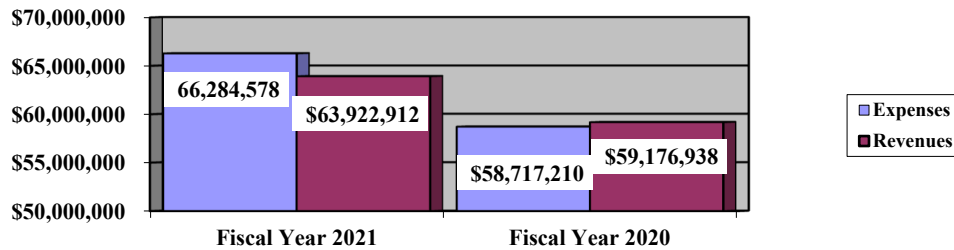
Net position of the District's governmental activities decreased \$2,361,666. Total governmental expenses of \$66,284,578 were offset by program revenues of \$13,092,314 and general revenues of \$50,830,598. Program revenues supported 19.75% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, income taxes and grants and entitlements. These revenue sources represent 79.29% of total governmental revenue. Grants and entitlements decreased due to decreased foundation revenue received from the State of Ohio. The increase in fair value of investments is due to the District being required to report investments at fair value rather than cost. The fair value of investments fluctuates throughout the year. The District intends to hold all investments to maturity thus eliminating the risk of fluctuations in fair value. Capital grants and contributions increased due to the District receiving a \$2,500,000 donation to purchase land for the new high school.

Overall, expenses of the governmental activities increased \$7,567,368 or 12.89%. Regular instruction increased due to annual increases in teacher salaries and benefits. Interest and fiscal charges increased due to the District issuing debt during the fiscal year.

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2021 and 2020.

Governmental Activities - Revenues and Expenses



**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

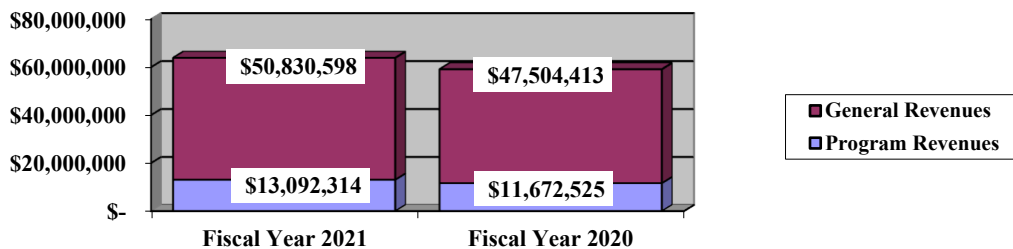
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As stated above, fluctuations in the pension expense and OPEB expenses reported under GASB 68 and GASB 75, respectively, makes it difficult to compare financial information between years. Pension expense and OPEB expense are components of program expenses reported on the statement of activities.

Governmental Activities				
Program expenses	Total Cost of	Net Cost of	Total Cost of	Net Cost of
	Services	Services	Services	Services
	2021	2021	2020	2020
Instruction:				
Regular	\$ 22,401,703	\$ 20,840,354	\$ 19,862,935	\$ 19,042,171
Special	11,898,072	6,800,502	11,709,404	5,645,312
Vocational	318,832	118,540	287,459	82,410
Other	3,678,047	3,678,047	3,507,565	3,447,016
Support services:				
Pupil	5,058,887	3,695,856	4,043,757	2,992,453
Instructional staff	1,388,407	1,226,509	1,300,971	1,029,426
Board of education	83,013	83,013	107,446	105,591
Administration	3,762,031	3,495,799	3,390,578	3,084,735
Fiscal	1,150,606	1,143,406	918,855	894,412
Business	711,371	658,000	542,361	533,841
Operation and maintenance	4,938,741	2,353,045	4,321,706	4,254,359
Pupil transportation	3,561,006	3,410,066	3,142,630	2,946,685
Central	1,018,636	867,454	663,119	652,103
Operations of non-instructional services				
Food service operations	1,753,584	743,491	2,148,206	154,426
Other non-instructional services	121,694	25,096	42,993	(2,337)
Extracurricular activities	1,423,567	1,036,705	1,195,071	649,928
Interest and fiscal charges	3,016,381	3,016,381	1,532,154	1,532,154
Total expenses	<u>\$ 66,284,578</u>	<u>\$ 53,192,264</u>	<u>\$ 58,717,210</u>	<u>\$ 47,044,685</u>

The dependence upon tax and other general revenues for governmental activities is apparent, 82.09% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 80.25%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, as a whole, are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2021 and 2020.

Governmental Activities - General and Program Revenues



**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The District's Funds

The District's governmental funds (as presented on the Balance Sheet on pages 18-19) reported a combined fund balance of \$129,192,618, which is a higher balance than last year's total balance of \$53,486,421. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2021 and 2020.

	<u>Fund Balance</u> <u>June 30, 2021</u>	<u>Fund Balance</u> <u>June 30, 2020</u>	<u>Change</u>
General	\$ 29,165,298	\$ 30,011,920	\$ (846,622)
Debt service	6,778,459	1,712,182	5,066,277
Building	77,741,438	5,080,962	72,660,476
Classroom facilities	11,485,544	14,741,006	(3,255,462)
Nonmajor governmental	<u>4,021,879</u>	<u>1,940,351</u>	<u>2,081,528</u>
Total	<u>\$ 129,192,618</u>	<u>\$ 53,486,421</u>	<u>\$ 75,706,197</u>

General Fund

The District's general fund balance decreased \$846,622. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

	<u>2021</u> <u>Amount</u>	<u>2020</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 23,051,938	\$ 21,400,279	\$ 1,651,659	7.72 %
Payment in lieu of taxes	411,187	417,686	(6,499)	(1.56) %
Tuition and fees	571,705	508,545	63,160	12.42 %
Earnings on investments	119,963	514,029	(394,066)	(76.66) %
Increase (decrease) in fair value of investments	(105,412)	205,980	(311,392)	(151.18) %
Extracurricular activities	80,984	72,722	8,262	11.36 %
Intergovernmental	25,043,822	24,272,232	771,590	3.18 %
Other revenues	<u>2,900,018</u>	<u>1,255,586</u>	<u>1,644,432</u>	130.97 %
Total	<u>\$ 52,074,205</u>	<u>\$ 48,647,059</u>	<u>\$ 3,427,146</u>	7.04 %
<u>Expenditures</u>				
Instruction	\$ 31,435,800	\$ 31,073,641	\$ 362,159	1.17 %
Support services	17,369,716	15,515,321	1,854,395	11.95 %
Operation of non-instructional services	6,200	2,625	3,575	136.19 %
Extracurricular activities	1,044,810	824,813	219,997	26.67 %
Facilities acquisition and construction	2,489,301	20,000	2,469,301	12,346.51 %
Debt services	<u>110,896</u>	<u>-</u>	<u>110,896</u>	100.00 %
Total	<u>\$ 52,456,723</u>	<u>\$ 47,436,400</u>	<u>\$ 5,020,323</u>	10.58 %

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Revenues of the general fund increased \$3,427,146 or 7.04%. Taxes revenue increased due to the improving economy and increased collections. Tuition increased \$63,160 or 12.42% due to increased tuition received from other Districts and increased tuition for special needs students in the District. The decrease in earnings on investment is due to decreasing interest rates. The decrease in fair value of investments is due to the District being required to report investments at fair value rather than cost. The fair value of investments fluctuates throughout the year. The District intends to hold all investments to maturity thus eliminating the risk of fluctuations in fair value. Other revenues increased due to the District receiving a \$2,500,000 capital grant and contribution to purchase land for the new high school. All other revenues remained comparable to the prior fiscal year or changed an insignificant amount.

Expenditures of the general fund increased \$5,020,323 or 10.58%. Support services increased primarily in the area of operations and maintenance expenditures which increased \$584,780 due to increase projects to provide for the safety of students during the COVID-19 pandemic. Extracurricular activities increased due to increases in student participation. Facilities acquisition increased due to the purchase of land for the new high school.

Debt service fund

The debt service fund had \$18,285,055 in revenues and other financing sources and \$13,218,778 in expenditures. During fiscal year 2021, the debt service fund's fund balance increased \$5,066,277 from \$1,712,182 to \$6,778,459 the District starting to collect on a 5.83 mil bond issue passed in November of 2020 and the District issuing general obligation bonds during the year for a new high school.

Building fund

The building fund had \$76,880,578 in revenues and other financing sources and \$4,220,102 in expenditures. During fiscal year 2021, the building fund's fund balance increased \$72,660,476 from \$5,080,962 to \$77,741,438 due to the District issuing \$17,820,000 in Series 2021 Certificate of Participation, \$48,475,000 in Series 2021A Construction Bonds, and \$9,800,000 in bond anticipation notes to build a new high school.

Classroom facilities fund

The classroom facilities fund had \$4,685,833 in revenues and \$7,941,295 in expenditures. During fiscal year 2021, the classroom facilities fund's fund balance decreased \$3,255,462 from \$14,741,006 to \$11,485,544 as the District continues construction on two new elementary schools.

General Fund Budgeting Highlights

The 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.

For the general fund, original and final budgeted revenues and other financing sources were both \$52,671,825. Actual revenues and other financing sources for fiscal year 2021 was \$52,834,915. This represents a \$163,090 increase from final budgeted revenues. Actual intergovernmental amounts were more than final budgeted amounts by the most significant amounts.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$54,685,729 were increased to \$59,260,729 in the final budgeted appropriations. The actual budget basis expenditures and other financing uses for fiscal year 2021 totaled \$53,332,861, which was \$5,927,868 less than the final budget appropriations. Operations and maintenance support services expenditures reported the most significant variance with actual expenditures being \$1,941,790 less than the final budgeted amount.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2021, the District had \$48,205,356 invested in land, CIP, land improvements, buildings and improvements, furniture, equipment and vehicles. This entire amount is reported in governmental activities. The following table shows June 30, 2021 balances compared to June 30, 2020:

**Capital Assets at June 30
(Net of Depreciation)**

	Governmental Activities	
	2021	2020
Land	\$ 2,787,251	\$ 299,675
CIP	15,493,789	28,711,244
Land improvements	528,785	779,694
Building and improvements	25,424,863	2,223,743
Furniture, equipment, and vehicles	2,838,865	3,374,436
Total	\$ 47,073,553	\$ 35,388,792

Total additions to capital assets for 2021 were \$14,044,546. The District recorded \$2,359,785 in depreciation expense for fiscal year 2021.

Refer to Note 8 in the basic financial statements for further detail on the District's capital assets.

Debt Administration

At June 30, 2021, the District had \$96,011,331 in general obligation bonds and \$17,820,000 in certificates of participation outstanding. Of this total, \$2,009,940 is due within one year and \$111,821,391 is due within more than one year. The following table summarizes the bonds outstanding.

Outstanding Debt, at Year End

	Governmental Activities 2021	Governmental Activities 2020
	General obligation bonds	\$ 96,011,331
Certificates of participation	17,820,000	-
Total	\$ 113,831,331	\$ 40,076,331

At June 30, 2021, the District's voted debt margin was (\$42,160,070) with an unvoted debt margin of \$721,031.

See Note 9 to the basic financial statements for further detail on the District's debt administration.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Current Financial Related Activities

Financially, the District is in sound financial position and working with the community to improve public education in Fairborn. The District opened one new building in August 2020 and started construction on the second one, with its projected completion in August 2022. In addition, the District passed a 5.83 mill bond issue in November 2020 with a 56% positive vote for a new high school and middle school. The new high school is projected to be completed in August 2024. The District has also implemented new curricular programs and has increased its State report card grade. The District's management is confident that the District can continue to provide a quality education for our students and provide a secure financial future.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Kevin Philo, Treasurer Fairborn City School District, 306 E. Whittier Ave., Fairborn, Ohio 45324.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 133,094,320
Cash with fiscal agent	1,501,343
Cash in segregated accounts	381,125
Receivables:	
Property taxes	25,133,650
Income taxes	2,013,874
Payment in lieu of taxes	508,352
Accounts	2,130
Accrued interest	23,975
Intergovernmental	7,864,724
Prepayments	173,792
Materials and supplies inventory	1,115
Inventory held for resale	1,033
Net OPEB asset (Note 12)	2,998,079
Capital assets:	
Nondepreciable capital assets	18,281,040
Depreciable capital assets, net	28,792,513
Capital assets, net	47,073,553
Total assets	220,771,065
Deferred outflows of resources:	
Pension (Note 11)	11,522,841
OPEB (Note 12)	2,095,433
Total deferred outflows of resources	13,618,274
Liabilities:	
Accounts payable	532,435
Contracts payable	2,686,549
Retainage payable	382,589
Accrued wages and benefits payable	4,763,042
Intergovernmental payable	120,755
Pension and postemployment benefits payable	909,221
Accrued interest payable	181,536
Long-term liabilities:	
Due within one year	3,280,195
Due in more than one year:	
Net pension liability (Note 11)	54,822,334
Net OPEB liability (Note 12)	4,623,904
Other amounts due in more than one year	123,163,651
Total liabilities	195,466,211
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	23,175,292
Payment in lieu of taxes levied for the next fiscal year	508,352
Unamortized deferred gain on debt refunding	158,885
Pension (Note 11)	713,027
OPEB (Note 12)	6,089,238
Total deferred inflows of resources	30,644,794
Net position:	
Net investment in capital assets	(93,439)
Restricted for:	
Capital projects	29,864,119
Permanent fund - nonexpendable	12,929
Classroom facilities maintenance	720,018
State funded programs	168,057
Federally funded programs	108,608
Food service operations	179,480
Student activities	336,705
Other purposes	48,914
Unrestricted (deficit)	(23,067,057)
Total net position	\$ 8,278,334

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

			Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions		Governmental Activities
Governmental activities:						
Instruction:						
Regular	\$ 22,401,703	\$ 342,386	\$ 1,218,963	\$ -		\$ (20,840,354)
Special	11,898,072	228,955	4,868,615	-		(6,800,502)
Vocational	318,832	-	200,292	-		(118,540)
Other	3,678,047	-	-	-		(3,678,047)
Support services:						
Pupil	5,058,887	-	1,363,031	-		(3,695,856)
Instructional staff	1,388,407	-	161,898	-		(1,226,509)
Board of education	83,013	-	-	-		(83,013)
Administration	3,762,031	132,876	133,356	-		(3,495,799)
Fiscal	1,150,606	-	7,200	-		(1,143,406)
Business	711,371	-	53,371	-		(658,000)
Operations and maintenance	4,938,741	27,690	58,006	2,500,000		(2,353,045)
Pupil transportation	3,561,006	437	150,503	-		(3,410,066)
Central	1,018,636	-	151,182	-		(867,454)
Operation of non-instructional services:						
Food service operations	1,753,584	35,608	974,485	-		(743,491)
Other non-instructional services	121,694	599	95,999	-		(25,096)
Extracurricular activities	1,423,567	177,517	67,458	141,887		(1,036,705)
Interest and fiscal charges	3,016,381	-	-	-		(3,016,381)
Totals	\$ 66,284,578	\$ 946,068	\$ 9,504,359	\$ 2,641,887		(53,192,264)
General revenues:						
Property taxes levied for:						
						18,060,231
						4,603,310
						722,013
						154,461
						443,507
Income taxes levied for:						
						4,925,852
						21,778,237
						177,734
						(105,412)
						70,665
						50,830,598
						(2,361,666)
						10,640,000
						\$ 8,278,334

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Debt Service	Building	Classroom Facilities
Assets:				
Equity in pooled cash and investments	\$ 31,803,874	\$ 6,484,548	\$ 78,347,986	\$ 13,567,432
Cash with fiscal agent	-	-	-	-
Cash in segregated accounts	-	-	-	381,125
Receivables:				
Property taxes	18,167,740	5,673,337	-	-
Income taxes	2,013,874	-	-	-
Payment in lieu of taxes	376,832	106,398	-	-
Accounts	2,130	-	-	-
Accrued interest	23,975	-	-	-
Interfund loans	19,690	-	-	-
Intergovernmental	47,329	-	-	7,166,894
Prepayments	171,625	-	-	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets	\$ 52,627,069	\$ 12,264,283	\$ 78,347,986	\$ 21,115,451
Liabilities:				
Accounts payable	\$ 420,838	\$ -	\$ 10	\$ 413
Contracts payable	-	-	605,865	2,080,684
Retainage payable	-	-	673	381,916
Accrued wages and benefits payable	4,235,633	-	-	-
Compensated absences payable	19,598	-	-	-
Intergovernmental payable	113,927	-	-	-
Pension and postemployment benefits payable	756,398	-	-	-
Interfund loans payable	-	-	-	-
Total liabilities	5,546,394	-	606,548	2,463,013
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	16,744,259	5,236,721	-	-
Payment in lieu of taxes levied for the next fiscal year	376,832	106,398	-	-
Delinquent property tax revenue not available	430,564	142,705	-	-
Income tax revenue not available	327,248	-	-	-
Intergovernmental revenue not available	18,319	-	-	7,166,894
Accrued interest not available	18,155	-	-	-
Total deferred inflows of resources	17,915,377	5,485,824	-	7,166,894
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Prepays	171,625	-	-	-
Permanent fund	-	-	-	-
Unclaimed funds	6,006	-	-	-
Endowments	-	-	-	-
Restricted:				
Debt service	-	6,778,459	-	-
Capital improvements	-	-	77,741,438	11,485,544
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
Non-public schools	-	-	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Extracurricular	-	-	-	-
Special trusts	-	-	-	-
Other purposes	-	-	-	-
Committed:				
Termination benefits	609,755	-	-	-
Assigned:				
Student and staff support	122,107	-	-	-
Subsequent year's appropriations	6,706,494	-	-	-
Other purposes	775	-	-	-
Unassigned (deficit)	21,548,536	-	-	-
Total fund balances	29,165,298	6,778,459	77,741,438	11,485,544
Total liabilities, deferred inflows and fund balances	\$ 52,627,069	\$ 12,264,283	\$ 78,347,986	\$ 21,115,451

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,890,480	\$ 133,094,320
1,501,343	1,501,343
-	381,125
1,292,573	25,133,650
-	2,013,874
25,122	508,352
-	2,130
-	23,975
-	19,690
650,501	7,864,724
2,167	173,792
1,115	1,115
1,033	1,033
<u>\$ 6,364,334</u>	<u>\$ 170,719,123</u>
\$ 111,174	\$ 532,435
-	2,686,549
-	382,589
527,409	4,763,042
-	19,598
6,828	120,755
152,823	909,221
19,690	19,690
<u>817,924</u>	<u>9,433,879</u>
1,194,312	23,175,292
25,122	508,352
32,405	605,674
-	327,248
272,692	7,457,905
-	18,155
<u>1,524,531</u>	<u>32,092,626</u>
1,115	1,115
2,167	173,792
12,929	12,929
-	6,006
21,325	21,325
-	6,778,459
2,539,795	91,766,777
716,166	716,166
238,228	238,228
6,302	6,302
219,693	219,693
4,326	4,326
336,705	336,705
4,461	4,461
17,122	17,122
-	609,755
-	122,107
-	6,706,494
-	775
(98,455)	21,450,081
<u>4,021,879</u>	<u>129,192,618</u>
<u>\$ 6,364,334</u>	<u>\$ 170,719,123</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

Total governmental fund balances		\$ 129,192,618
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		47,073,553
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 605,674	
Income taxes receivable	327,248	
Accrued interest receivable	18,155	
Intergovernmental receivable	7,457,905	
Total		8,408,982
Unamortized premiums on bonds issued are not recognized in the funds.		(8,076,229)
Unamortized deferred gains on refundings are not recognized in the funds.		(158,885)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(181,536)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	11,522,841	
Deferred inflows - pension	(713,027)	
Net pension liability	(54,822,334)	
Deferred outflows - OPEB	2,095,433	
Deferred inflows - OPEB	(6,089,238)	
Net OPEB asset	2,998,079	
Net OPEB liability	(4,623,904)	
Total		(49,632,150)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(114,836,577)	
Compensated absences	(3,511,442)	
Total		(118,348,019)
Net position of governmental activities		\$ 8,278,334

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General	Debt Service	Building	Classroom Facilities
Revenues:				
Property taxes	\$ 18,098,628	\$ 4,535,988	\$ -	\$ -
Income taxes	4,953,310	-	-	-
Intergovernmental	25,043,822	243,368	-	4,648,485
Investment earnings	119,963	-	23,447	37,348
Tuition and fees	571,705	-	-	-
Extracurricular	80,984	-	-	-
Rental income	27,690	-	-	-
Charges for services	132,876	-	-	-
Contributions and donations	2,668,787	-	-	-
Payment in lieu of taxes	411,187	29,338	-	-
Miscellaneous	70,665	-	-	-
(Decrease) in fair value of investments	(105,412)	-	-	-
Total revenues	<u>52,074,205</u>	<u>4,808,694</u>	<u>23,447</u>	<u>4,685,833</u>
Expenditures:				
Current:				
Instruction:				
Regular	18,974,441	-	-	-
Special	8,605,031	-	-	-
Vocational	285,801	-	-	-
Other	3,570,527	-	-	-
Support services:				
Pupil	3,443,618	-	-	-
Instructional staff	1,058,618	-	-	-
Board of education	79,879	-	-	-
Administration	3,258,557	-	-	-
Fiscal	987,951	48,841	-	-
Business	601,827	-	-	-
Operations and maintenance	4,133,521	-	-	-
Pupil transportation	3,000,670	-	-	-
Central	805,075	-	-	-
Operation of non-instructional services:				
Food service operations	454	-	-	-
Other non-instructional services	5,746	-	-	-
Extracurricular activities	1,044,810	-	-	-
Facilities acquisition and construction	2,489,301	-	3,457,971	7,941,295
Debt service:				
Principal retirement	-	11,275,000	-	-
Interest and fiscal charges	-	1,894,937	-	-
Bond issuance costs	110,896	-	724,767	-
Note issuance costs	-	-	37,364	-
Total expenditures	<u>52,456,723</u>	<u>13,218,778</u>	<u>4,220,102</u>	<u>7,941,295</u>
Excess of expenditures over revenues	<u>(382,518)</u>	<u>(8,410,084)</u>	<u>(4,196,655)</u>	<u>(3,255,462)</u>
Other financing sources (uses):				
Premium on bonds and notes	110,896	4,541,361	762,131	-
Issuance of bonds	-	8,935,000	66,295,000	-
Issuance of notes	-	-	9,800,000	-
Transfers in	-	-	-	-
Transfers (out)	(575,000)	-	-	-
Total other financing sources (uses)	<u>(464,104)</u>	<u>13,476,361</u>	<u>76,857,131</u>	<u>-</u>
Net change in fund balances	(846,622)	5,066,277	72,660,476	(3,255,462)
Fund balances at beginning of year	<u>30,011,920</u>	<u>1,712,182</u>	<u>5,080,962</u>	<u>14,741,006</u>
Fund balances at end of year	<u>\$ 29,165,298</u>	<u>\$ 6,778,459</u>	<u>\$ 77,741,438</u>	<u>\$ 11,485,544</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Nonmajor Governmental Funds	Total Governmental Funds
\$ 848,387	\$ 23,483,003
-	4,953,310
6,927,363	36,863,038
4,892	185,650
8,428	580,133
88,777	169,761
-	27,690
35,608	168,484
4,099	2,672,886
2,982	443,507
64,773	135,438
-	(105,412)
<u>7,985,309</u>	<u>69,577,488</u>
1,278,912	20,253,353
2,370,496	10,975,527
-	285,801
-	3,570,527
1,187,813	4,631,431
194,075	1,252,693
-	79,879
159,429	3,417,986
15,800	1,052,592
53,324	655,151
490,377	4,623,898
-	3,000,670
151,048	956,123
1,627,313	1,627,767
112,759	118,505
262,076	1,306,886
76,702	13,965,269
-	11,275,000
131,873	2,026,810
-	835,663
-	37,364
<u>8,111,997</u>	<u>85,948,895</u>
<u>(126,688)</u>	<u>(16,371,407)</u>
1,633,216	7,047,604
-	75,230,000
-	9,800,000
575,000	575,000
-	(575,000)
<u>2,208,216</u>	<u>92,077,604</u>
2,081,528	75,706,197
1,940,351	53,486,421
<u>\$ 4,021,879</u>	<u>\$ 129,192,618</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE 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, 2021

Net change in fund balances - total governmental funds	\$	75,706,197
<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	\$ 14,044,546	
Current year depreciation	(2,359,785)	
Total		11,684,761
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	57,012	
Income taxes	(27,458)	
Earnings on investments	(3,076)	
Intergovernmental	(5,681,054)	
Total		(5,654,576)
Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
Bonds	1,475,000	
Notes	9,800,000	
Total		11,275,000
Issuance of bonds, notes, and their associated premiums are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		
Bonds	(75,230,000)	
Notes	(9,800,000)	
Premiums	(7,047,604)	
Total		(92,077,604)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
(Increase) in accrued interest payable	(107,685)	
Accreted interest on capital appreciation bonds	(317,458)	
Amortization of bond and note premiums	279,267	
Amortization of deferred charges	29,332	
Total		(116,544)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	4,271,838	
OPEB	141,888	
Total		4,413,726
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(7,110,910)	
OPEB	81,768	
Total		(7,029,142)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(563,484)
Change in net position of governmental activities	\$	(2,361,666)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 18,291,694	\$ 18,291,694	\$ 17,960,142	\$ (331,552)
Income taxes	4,483,123	4,483,123	4,521,889	38,766
Intergovernmental	24,642,022	24,642,022	25,041,662	399,640
Investment earnings	118,304	118,304	134,844	16,540
Tuition and fees	592,740	592,740	571,705	(21,035)
Extracurricular	80,182	80,182	80,912	730
Rental income	20,979	20,979	25,560	4,581
Charges for services	101,635	101,635	108,519	6,884
Contributions and donations	2,607,270	2,607,270	2,641,887	34,617
Payment in lieu of taxes	401,328	401,328	411,187	9,859
Miscellaneous	1,062,352	1,062,352	1,075,487	13,135
Total revenues	<u>52,401,629</u>	<u>52,401,629</u>	<u>52,573,794</u>	<u>172,165</u>
Expenditures:				
Current:				
Instruction:				
Regular	19,350,286	20,697,956	19,484,107	1,213,849
Special	8,945,613	9,331,562	8,891,772	439,790
Vocational	275,922	286,070	282,775	3,295
Other	4,104,401	4,282,500	3,569,629	712,871
Support services:				
Pupil	3,563,685	3,736,612	3,371,548	365,064
Instructional staff	1,101,990	1,161,139	1,063,375	97,764
Board of education	92,562	151,027	79,511	71,516
Administration	3,146,117	3,355,674	3,213,331	142,343
Fiscal	1,008,608	1,087,747	973,835	113,912
Business	569,916	657,069	588,093	68,976
Operations and maintenance	4,850,126	5,770,441	3,828,651	1,941,790
Pupil transportation	2,715,849	3,452,293	2,968,620	483,673
Central	752,448	915,242	781,705	133,537
Extracurricular activities	1,122,181	1,200,042	1,060,693	139,349
Facilities acquisition and construction	2,399,975	2,489,305	2,489,301	4
Debt service:				
Bond issuance costs	111,000	111,000	110,896	104
Total expenditures	<u>54,110,679</u>	<u>58,685,679</u>	<u>52,757,842</u>	<u>5,927,837</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,709,050)</u>	<u>(6,284,050)</u>	<u>(184,048)</u>	<u>6,100,002</u>
Other financing sources (uses):				
Refund of prior year's expenditures	150,000	150,000	140,893	(9,107)
Refund of prior year's receipts	(50)	(50)	(19)	31
Transfers (out)	(575,000)	(575,000)	(575,000)	-
Premium on bonds	110,896	110,896	110,896	-
Sale of capital assets	9,300	9,300	9,332	32
Total other financing sources (uses)	<u>(304,854)</u>	<u>(304,854)</u>	<u>(313,898)</u>	<u>(9,044)</u>
Net change in fund balance	(2,013,904)	(6,588,904)	(497,946)	6,090,958
Fund balance at beginning of year	28,773,144	28,773,144	28,773,144	-
Prior year encumbrances appropriated	2,685,729	2,685,729	2,685,729	-
Fund balance at end of year	<u>\$ 29,444,969</u>	<u>\$ 24,869,969</u>	<u>\$ 30,960,927</u>	<u>\$ 6,090,958</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 - DESCRIPTION OF THE DISTRICT

The Fairborn City School District (the “District”) has grown from a union of the Fairborn, Osborn and Bath Township schools, which took place when the town of Osborn was moved. The earliest school records available are of Bath Township schools’ purchase of land on September 1, 1856. The oldest historical record of the Osborn schools is a meeting of the Board of Education of July 27, 1906. The early history of the Fairborn school system consists of a log schoolhouse, one room up and two rooms down, in 1873. When consolidation of the three school systems was suggested there was much of the usual opposition. However, consolidation passed by a small majority and the school year 1923 started under the new plan.

Today the District operates under the current standards prescribed by the Ohio Department of Education as provided in division (D) of sections 3301.07 and 119.01 of the Ohio Revised Code. The District is established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District operates under a locally elected five-member Board form of government and provides educational services as authorized by the Board and further mandated by state and/or federal agencies.

The Board of Education controls the District’s four instructional/support facilities staffed by 239 non-certified, 317 certified employees to provide services to approximately 4,142 students in grades K through 12.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. 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 District. For the District, this includes general operations, food service, and student related activities of the District.

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

The District is associated with three jointly governed organizations, one related organization, and one public entity risk pool. In addition, the District has shared service agreements with the Educational Service Centers of Greene and Montgomery Counties.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

JOINTLY GOVERNED ORGANIZATIONS

Southwestern Ohio Educational Purchasing Council (SOEPC)

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of over 126 public Districts in 18 counties. The purpose of the council is to obtain reduced prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One-year prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the general fund. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, 303 Corporate Center, Suite 208, Vandalia, Ohio 45377.

Greene County Career Center

The Greene County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating Districts' elected Boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Greene County Career Center, Eva Anderson, who serves as Treasurer, at 2960 W. Enon Rd., Xenia, Ohio 45385.

Miami Valley Educational Computer Association

The District is a participant in the Miami Valley Educational Computer Association (MVECA) which is a computer consortium. MVECA is an association of public-school districts within the boundaries of Clark, Clinton, Fayette, Greene, Ross, Madison, Montgomery and Highland Counties.

The organization was 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 governing board of MVECA consists of six representatives from the member districts elected by majority vote of all charter member school districts within each county plus one representative from the fiscal agent. The District paid MVECA \$172,128 for services provided during the fiscal year. Financial information can be obtained from Thor Sage, Executive Director, at MVECA at 330 East Enon Road, Yellow Springs, Ohio 45387.

RELATED ORGANIZATION

Fairborn Digital Academy Community School

The Fairborn Digital Academy Community School (the "Digital Academy") is a nonprofit corporation established pursuant to Ohio Rev. Code Chapters 3314 and 1702 to address the growing need for a comprehensive educational program delivered to students in the 9-12 population primarily through distance learning technologies. The District appoints two non-voting members of the Digital Academy's Board of Directors. Financial information for the Digital Academy can be obtained from Tammy Emrick, Treasurer, Fairborn Digital Academy Community School, 700 Black Lane, Fairborn, Ohio 45324.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

PUBLIC ENTITY RISK POOL

Ohio School Boards Association Workers' Compensation Group Rating Program

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three-member Board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

B. Basis of Presentation

The District's basic financial statements consist of government-wide financial 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 District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the District that are governmental activities (primarily supported by taxes and intergovernmental revenues) and those that are considered business-type activities (primarily supported by fees and charges). However, the District has no business-type activities.

The statement of net position presents the financial condition of the governmental activities of the District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the 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 and grants, contributions, and interest that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. 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 District.

Fund Financial Statements - During the fiscal year, the District segregates transactions related to certain 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 District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

C. Fund Accounting

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

GOVERNMENTAL FUNDS

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

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

Debt Service Fund - The debt service fund is used to account for the accumulation of restricted resources and payment of general obligation bond and note principal, interest and related costs.

Building fund - The building fund is used to account for monies received and expended in connection with the District's Locally Funded Initiatives (LFI).

Classroom facilities fund - The classroom facilities fund is used to account for monies received and expended in connection with contracts entered into by the District and the Ohio Facilities Construction Commission (OFCC) for the building and equipping of classroom facilities.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for athletic tournament receipts and disbursements to the Ohio High School Athletic Association (OHSAA). For fiscal year 2021, the District's fiduciary funds had no activity.

D. Measurement Focus

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows of resources are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflects 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 fund financial statements for governmental funds.

Fiduciary funds are reported using the economic resources measurement focus. All assets and liabilities associated with the operation of fiduciary funds are included on the statement of fiduciary net position. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus. For fiscal year 2021, the Districts fiduciary funds had no activity.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows and deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Nonexchange 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means 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 District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the fiscal year in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the 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 both measurable and available at fiscal year-end: property taxes available as an advance, income taxes, grants, interest, tuition, student fees, and charges for services.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Note 11 and Note 12 for deferred outflows of resources related the District's net pension liability and net OPEB liability/asset, respectively. These deferred outflows of resources are only reported on the government-wide statement of net position.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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

For the District, see Note 11 and Note 12 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position. In addition, deferred inflows of resources include a deferred gain on debt refunding. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Expenses/Expenditures - On the accrual basis, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the fund financial statements 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.

F. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than the custodial fund, are legally required to be budgeted and appropriated. The legal level of budgetary control for all funds is at the fund level. Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present the budgetary statement comparisons at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

Estimated Resources

The County Budget Commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which indicates the projected receipts of each fund. On or about July 1 this certificate is amended to include any unencumbered balances from the preceding fiscal year. Prior to July 1, the District must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. Budgeted receipts as shown in the accompanying financial statements do not include July 1 unencumbered fund balances. However, those fund balances are available for appropriations.

Appropriations

A temporary appropriation measure to control cash disbursements may be passed on or about July 1 of each year for the period July 1 to September 30. An annual appropriation measure must be passed by October 1 of each year for the period July 1 to June 30. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

Lapsing of Appropriations

The District is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be re-appropriated.

G. Equity in Pooled Cash and Investments

To improve cash management, cash received by the District is pooled. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2021, investments were limited to Federal Home Loan Banks (FHLB), Federal Farm Credit Banks (FFCB), negotiable certificates of deposit (negotiable CDs), U.S. government money market mutual funds, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for STAR Ohio, investments are reported at fair value.

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

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

Under existing Ohio statutes, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2021 amounted to \$119,963 which includes \$17,899 assigned from other District funds.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

For presentation on the balance sheet and statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at fiscal year-end is provided in Note 4.

H. Inventory

On government-wide and fund financial statements, inventories of supplies are reported at cost while inventories held for resale are reported at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expended/expensed when used. Donated commodities are recorded at their entitlement value. Inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory held for resale is not offset by nonspendable fund balance as the proceeds from the eventual sale of the inventory is either restricted, committed or assigned.

Inventory consists of expendable supplies held for consumption and food service inventory held for resale.

I. Capital Assets

General capital assets are those assets specifically related to governmental activities. These assets 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. The District maintains a capitalization threshold of \$5,000. The 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.

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:

Description	Governmental Activities <u>Estimated Lives</u>
Land improvements	15 - 20 years
Buildings and improvements	20 - 40 years
Furniture, equipment and vehicles	5 - 20 years

J. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave (severance) 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 District and the employee. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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 cash payment at termination or retirement. A liability for severance is accrued using the termination method; i.e., a liability is accrued for earned sick leave to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the District’s past experience of making termination payments.

The total liability for vacation and severance payments has been calculated using pay rates in effect at June 30, 2021 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. For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

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 judgements and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due. Net pension and 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. 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.

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

As a general rule the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

M. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash such as balances of materials and supplies inventory and prepayments. It also includes the long-term amount of loans receivable in the general fund.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted nor 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 District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

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 its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. The amount restricted for other purposes consists of amounts for unclaimed funds, special trusts, endowments, and other grant funds.

The District applies restricted resources first then when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District's \$31,438,830 in restricted net position, none was restricted by enabling legislation.

O. 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.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

P. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow or deferred inflow of resources.

Q. Non-Public Schools

Within the District boundaries are various non-public schools. Current state legislation provides funding to these non-public schools. These monies are received and disbursed on behalf of the non-public schools by the Treasurer of the District, as directed by the non-public school. The fiduciary responsibility of the District for these monies is reflected in a nonmajor governmental fund for financial reporting purposes.

R. Pensions/Other Postemployment Benefits (OPEB)

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

S. Prepayments

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

On the fund financial statements, reported prepayments are equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

T. Fair Value Measurement

The 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.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2021, the District has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance." GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended June 30, 2021. Due to the implementation of GASB Statement No. 95, the effective dates of certain provisions contained in these pronouncements are postponed until the fiscal year ended June 30, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

For fiscal year 2021, the District has implemented GASB Statement No. 98, "The Annual Comprehensive Financial Report." GASB Statement No. 98 establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in general accepted accounting principles for state and local governments. The implementation of GASB Statement No. 98 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2021 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Public school preschool	\$ 6,151
IDEA Part B	50,002
Title III - Limited English Proficiency	74
Title I	37,473
IDEA Part B - Preschool stimulus	1,788
Miscellaneous federal grants	800

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

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the 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 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.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 five years from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

Protection of the 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.

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. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At year end, the District had \$1,705 in undeposited cash on hand which is included on the financial statements of the District as part of "equity in pooled cash and investments".

**FAIRBORN CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Cash in Segregated Accounts

At June 30, 2021, the District has \$381,125 in a separate depository account for a retainage payable account held separate from the District's internal investment pool. The balance of this depository account is included in "deposits with financial institutions" below.

C. Cash with Fiscal Agent

At June 30, 2021, the District had \$1,501,343 on deposit with a financial institution for monies set aside for debt service payments related to the Series 2021 Certificates of Participation. This amount is not included in the District's depository balance below.

D. Deposits with Financial Institutions

At June 30, 2021, the carrying amount of all District deposits was \$4,143,253 and the bank balance of all District deposits was \$4,881,319. Of the bank balance, \$250,000 was covered by the FDIC, \$2,778,791 was covered by the Ohio Pooled Collateral System, and \$1,852,528 was exposed to custodial credit risk discussed below because those deposits were uninsured and uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the District's financial institutions were approved for a reduced collateral rate of 60 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

E. Investments

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

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair Value:</i>						
FHLB	\$ 528,901	\$ 528,901	\$ -	\$ -	\$ -	\$ -
FFCB	1,816,331	-	1,816,331	-	-	-
Negotiable CDs	6,042,160	1,259,840	754,439	759,023	512,482	2,756,376
U.S Government money market mutual funds	18,804,734	18,804,734	-	-	-	-
<i>Amortized Cost:</i>						
STAR Ohio	<u>102,138,361</u>	<u>102,138,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 129,330,487</u>	<u>\$ 122,731,836</u>	<u>\$ 2,570,770</u>	<u>\$ 759,023</u>	<u>\$ 512,482</u>	<u>\$ 2,756,376</u>

The weighted average maturity of investments is 0.11 years.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FHLB and FFCB) and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less. The District's investment policy also requires that the investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk: The District's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. STAR Ohio and the U.S. government money market mutual funds were rated AAAm by Standard & Poor's. The negotiable CD's were not rated but are fully insured by the FDIC. The District has no investment policy that would further limit its investment choices.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2021:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
FHLB	\$ 528,901	0.41
FFCB	1,816,331	1.40
Negotiable CDs	6,042,160	4.67
U.S Government money market mutual funds	18,804,734	14.54
<i>Amortized Cost:</i>		
STAR Ohio	<u>102,138,361</u>	<u>78.98</u>
Total	<u>\$ 129,330,487</u>	<u>100.00</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

F. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2021:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 4,143,253
Investments	129,330,487
Cash with fiscal agent	1,501,343
Cash on hand	<u>1,705</u>
Total	<u>\$ 134,976,788</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	<u>\$ 134,976,788</u>

NOTE 5 - RECEIVABLES

Receivables at June 30, 2021 consisted of property taxes, income taxes, payments in lieu of taxes, accounts (billings for user charged services and student fees), accrued interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:	
Property taxes	\$ 25,133,650
Income taxes	2,013,874
Payment in lieu of taxes	508,352
Accounts	2,130
Accrued interest	23,975
Intergovernmental	<u>7,864,724</u>
Total	<u>\$ 35,546,705</u>

Receivables have been disaggregated on the face of the basic financial statements. The intergovernmental receivable in the amount of \$7,166,894 reported in the classroom facilities fund is expected to be collected over the next several years as the OFCC construction project is completed. All other receivables are expected to be collected in the subsequent year.

NOTE 6 - INCOME TAXES

The District levies a voted tax of .50% for general operations on the income of residents and of estates. The tax was first approved in 1990. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund.

NOTE 7 - PROPERTY TAXES

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7 - PROPERTY TAXES - (Continued)

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2021 represent the collection of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed values as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised. Real property taxes are payable annually or semiannually. 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 revenues received in calendar year 2021 represent the collection of calendar year 2020 taxes. Public utility real and personal property taxes received in calendar year 2021 became a lien on December 31, 2019, were levied after April 1, 2020, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Greene, Montgomery and Clark Counties. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2021 are available to finance fiscal year 2021 operations. The amount available as an advance at June 30, 2021 was \$992,917 in the general fund, \$293,911 in the debt service fund, \$58,005 in the permanent improvement fund (a nonmajor governmental fund), and \$7,851 in the classroom facilities maintenance fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2020 was \$854,432 in the general fund, \$127,207 in the debt service fund, and \$6,920 in the classroom facilities and maintenance fund (a nonmajor governmental fund). 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, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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.

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

	2020 Second Half Collections		2021 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 603,325,130	95.78	\$ 693,627,290	96.20
Public utility personal	<u>26,574,570</u>	<u>4.22</u>	<u>27,403,840</u>	<u>3.80</u>
Total	<u>\$ 629,899,700</u>	<u>100.00</u>	<u>\$ 721,031,130</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$54.54		\$59.09	

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8 - CAPITAL ASSETS

The following capital asset activity occurred during fiscal year 2021:

	Balance 06/30/20	Additions	Deductions	Balance 06/30/21
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 299,675	\$ 2,487,576	\$ -	\$ 2,787,251
Construction in progress	28,711,244	11,475,545	(24,693,000)	15,493,789
Total capital assets, not being depreciated	<u>29,010,919</u>	<u>13,963,121</u>	<u>(24,693,000)</u>	<u>18,281,040</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	7,878,481	-	-	7,878,481
Buildings and improvements	27,013,779	24,693,000	-	51,706,779
Furniture, equipment and vehicles	12,476,966	81,425	-	12,558,391
Total capital assets, being depreciated	<u>47,369,226</u>	<u>24,774,425</u>	<u>-</u>	<u>72,143,651</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(7,098,787)	(250,909)	-	(7,349,696)
Buildings and improvements	(24,790,036)	(1,491,880)	-	(26,281,916)
Furniture, equipment and vehicles	(9,102,530)	(616,996)	-	(9,719,526)
Total accumulated depreciation	<u>(40,991,353)</u>	<u>(2,359,785)</u>	<u>-</u>	<u>(43,351,138)</u>
Capital assets, being depreciated, net of accumulated depreciation	<u>6,377,873</u>	<u>22,414,640</u>	<u>-</u>	<u>28,792,513</u>
Governmental activities capital assets, net	<u>\$ 35,388,792</u>	<u>\$ 36,377,761</u>	<u>\$ (24,693,000)</u>	<u>\$ 47,073,553</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 739,773
Special	338,423
Vocational	8,510
Other	107,425

Support services:

Pupil	137,162
Instructional staff	62,378
Board of education	2,392
Administration	104,572
Fiscal	31,252
Business	19,303
Operations and maintenance	232,758
Pupil Transportation	425,613
Central	28,070

Other non-instructional services:

Food service operations	66,149
Other non-instructional services	3,189
Extracurricular activities	<u>52,816</u>
Total depreciation expense	<u>\$ 2,359,785</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LONG-TERM OBLIGATIONS

The District's long-term obligations activity for fiscal year 2021 follows:

	Balance 06/30/20	Increases	Decreases	Balance 06/30/21	Amounts Due Within One Year
Governmental Activities:					
<u>General Obligation Bonds</u>					
Series 2015 refunding bonds					
Current interest bonds, 0.75 - 3.5%	\$ 7,380,000	\$ -	\$ (1,120,000)	\$ 6,260,000	\$ -
Capital appreciation bonds	169,940	-	-	169,940	169,940
Accreted interest	579,797	261,830	-	841,627	841,627
Unamortized premium	418,941	-	(65,289)	353,652	-
Total Series 2015	<u>8,548,678</u>	<u>261,830</u>	<u>(1,185,289)</u>	<u>7,625,219</u>	<u>1,011,567</u>
Series 2017A construction bonds					
Current interest bonds 2.0 - 4.0%	23,435,000	-	(345,000)	23,090,000	380,000
Capital appreciation bonds	81,391	-	-	81,391	-
Accreted interest	107,991	55,628	-	163,619	-
Unamortized premium	371,036	-	(11,076)	359,960	-
Total Series 2017A	<u>23,995,418</u>	<u>55,628</u>	<u>(356,076)</u>	<u>23,694,970</u>	<u>380,000</u>
Series 2017B construction bonds					
General obligation bonds 2.0 - 4.0%	9,010,000	-	(10,000)	9,000,000	10,000
Unamortized premium	517,915	-	(94,166)	423,749	-
Total Series 2017B	<u>9,527,915</u>	<u>-</u>	<u>(104,166)</u>	<u>9,423,749</u>	<u>10,000</u>
Series 2021 Certificates of participation					
Certificates of participation 3.0 - 4.0%	-	17,820,000	-	17,820,000	100,000
Unamortized premium	-	1,942,999	(21,770)	1,921,229	-
Total Series 2021 Certificates of participation	<u>-</u>	<u>19,762,999</u>	<u>(21,770)</u>	<u>19,741,229</u>	<u>100,000</u>
Series 2021A construction bonds					
General obligation bonds 4.0%	-	48,475,000	-	48,475,000	1,350,000
Unamortized premium	-	4,193,458	(30,241)	4,163,217	-
Total Series 2021A	<u>-</u>	<u>52,668,458</u>	<u>(30,241)</u>	<u>52,638,217</u>	<u>1,350,000</u>
Series 2021B construction bonds					
General obligation bonds 3.0%	-	8,935,000	-	8,935,000	-
Unamortized premium	-	860,775	(6,353)	854,422	-
Total Series 2021B	<u>-</u>	<u>9,795,775</u>	<u>(6,353)</u>	<u>9,789,422</u>	<u>-</u>
Total bonds	<u>42,072,011</u>	<u>82,544,690</u>	<u>(1,703,895)</u>	<u>122,912,806</u>	<u>2,851,567</u>
Bond anticipation note - direct borrowing	<u>-</u>	<u>9,800,000</u>	<u>(9,800,000)</u>	<u>-</u>	<u>-</u>
Net pension liability	<u>47,819,786</u>	<u>7,002,548</u>	<u>-</u>	<u>54,822,334</u>	<u>-</u>
Net OPEB liability:	<u>4,996,726</u>	<u>-</u>	<u>(372,822)</u>	<u>4,623,904</u>	<u>-</u>
Compensated Absences	<u>3,004,131</u>	<u>902,906</u>	<u>(375,997)</u>	<u>3,531,040</u>	<u>428,628</u>
Total Long-Term Obligations	<u>\$ 97,892,654</u>	<u>\$90,450,144</u>	<u>\$ (2,452,714)</u>	<u>\$ 185,890,084</u>	<u>\$ 3,280,195</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

General Obligation Bonds

All general obligation bonds are backed by the full faith and credit of the District will be repaid from property taxes in the debt service fund.

Series 2015 Refunding General Obligation Bonds

On June 17, 2015, the District issued \$12,169,940 of general obligation bonds (Series 2015 refunding bonds) to advance refund the callable of the Series 2006 refunding general obligation bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2006 general obligation bonds at June 30, 2021, is \$6,260,000.

The refunding issue is comprised of both current interest bonds, par value \$12,000,000, and capital appreciation bonds par value \$169,940. The interest rates on the current interest bonds range from 0.75% - 3.5%. The capital appreciation bonds mature on December 1, 2021 (effective interest rate 30.33%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$1,175,000. Total accreted interest of \$841,627 has been included in the statement of net position at June 30, 2021.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2026. The bonds will be retired from the debt service fund.

The net carrying amount of the old debt (including unamortized premiums removed upon refunding) exceeded the reacquisition price by \$334,877. This deferred gain on refunding is amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The unamortized portion of the deferred gain is reported as a deferred inflow on the statement of net position.

The future debt service requirements for retirement of the Series 2015 refunding bonds follows:

Fiscal Year Ending June 30,	General Obligation Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ -	\$ 197,770	\$ 197,770	\$ 169,940	\$ 1,005,060	\$ 1,175,000
2023	1,175,000	180,732	1,355,732	-	-	-
2024	1,215,000	145,470	1,360,470	-	-	-
2025	1,250,000	108,182	1,358,182	-	-	-
2026	1,290,000	67,835	1,357,835	-	-	-
2027	<u>1,330,000</u>	<u>23,275</u>	<u>1,353,275</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 6,260,000</u>	<u>\$ 723,264</u>	<u>\$ 6,983,264</u>	<u>\$ 169,940</u>	<u>\$ 1,005,060</u>	<u>\$ 1,175,000</u>

Series 2017A Construction General Obligation Bonds

On February 22, 2017, the District issued \$24,550,000 of current interest bonds and \$81,391 of capital appreciation bonds to perform school improvement projects. The interest rates on the current interest bonds range from 2.00% - 4.00%. The capital appreciation bonds mature on December 1, 2024 (effective interest rate 29.37%) and December 1, 2025 (effective interest rate 29.38%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond maturing December 1, 2024 is \$445,000. The accreted value at maturity for the capital appreciation bond maturing December 1, 2025 is \$205,000. Total accreted interest of \$163,619 has been included in the statement of net position at June 30, 2021.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The general obligation bonds were issued for the purpose of constructing two new elementary schools and to abate and demolish four existing school buildings.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2053. The bonds will be retired from the debt service fund.

The future debt service requirements for retirement of the Series 2017A construction bonds follows:

Fiscal Year Ending June 30,	General Obligation Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 380,000	\$ 891,188	\$ 1,271,188	\$ -	\$ -	\$ -
2023	305,000	884,338	1,189,338	-	-	-
2024	10,000	881,138	891,138	-	-	-
2025	-	880,988	880,988	60,022	384,978	445,000
2026	-	880,988	880,988	21,369	183,631	205,000
2027 - 2031	50,000	4,400,560	4,450,560	-	-	-
2032 - 2036	50,000	4,391,812	4,441,812	-	-	-
2037 - 2041	2,100,000	4,301,764	6,401,764	-	-	-
2042 - 2046	6,245,000	3,378,498	9,623,498	-	-	-
2047 - 2051	8,045,000	2,009,818	10,054,818	-	-	-
2052 - 2054	5,905,000	360,500	6,265,500	-	-	-
Total	\$ 23,090,000	\$ 23,261,592	\$ 46,351,592	\$ 81,391	\$ 568,609	\$ 650,000

Series 2017B Construction General Obligation Bonds

On March 14, 2017, the District issued \$9,105,000 of current interest bonds to perform school improvement projects. This issue is comprised of general obligation bonds with interest rates ranging from 2.00% to 4.00%. The general obligation bonds were issued for the purpose of constructing two new elementary schools and to abate and demolish four existing school buildings.

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2037. The bonds will be retired from the debt service fund.

The future debt service requirements for retirement of the Series 2017B construction bonds follows:

Fiscal Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2022	\$ 10,000	\$ 351,825	\$ 361,825
2023	90,000	350,825	440,825
2024	395,000	344,988	739,988
2025	10,000	339,925	349,925
2026	240,000	335,000	575,000
2027 - 2031	2,680,000	1,399,400	4,079,400
2032 - 2036	3,715,000	761,700	4,476,700
2037 - 2038	1,860,000	75,200	1,935,200
Total	\$ 9,000,000	\$ 3,958,863	\$12,958,863

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Series 2021 Certificates of Participation

In February 2021, the District issued \$17,820,000 in certificates of participation (“COPs”) to finance the acquisition, construction and overall improvement of District facilities. As part of the official agreement, the District’s land and buildings are being ground leased to Buckeye Leasing Services, who will then sublease the land and buildings back to the District for a series of rental payments. These rental payments will pay for the debt service requirements on the COPs. The COPs bear interest rates ranging from 3.00% to 4.00%. Principal on the COPs is due each December 1, beginning December 1, 2021, through and including December 1, 2050. Buckeye Leasing Services has assigned all of its rights in the transaction to U.S. Bank National Association (the “Trustee”), which is serving as the trustee for the COPs. Interest payments in fiscal year 2021 totaled \$131,873. This amount is reported as debt service expenditures in the permanent improvement fund (a nonmajor governmental fund). The District deposited \$1,633,216 in prepaid interest payments (through fiscal year 2024’s interest payments) with the Trustee and the Trustee makes scheduled interest payments on the bonds. As of June 30, 2021, there were \$14,757,243 in unspent proceeds.

The obligation of the District under the lease and any subsequent lease renewal is subject to the annual appropriation of the rental payments. Legal title to the facilities remains with the Trustee until all payments required under the lease have been made. In the event that sufficient monies are not appropriated or certified, the lease will terminate at the end of the current lease term and the District will have no further obligation to make rental payments. The Trustee, as assignee under the lease assignment, will have certain remedies under the ground lease and the lease, including the right to take possession of the project for the remainder of the term of the ground lease (through December 1, 2050).

The future debt service requirements for retirement of the Series 2021 certificates of participation follows:

Fiscal Year Ending June 30,	Certificates of participation		
	Principal	Interest	Total
2022	\$ 100,000	\$ 584,600	\$ 684,600
2023	150,000	580,850	730,850
2024	175,000	575,975	750,975
2025	345,000	568,175	913,175
2026	360,000	557,600	917,600
2027 - 2031	2,055,000	2,593,625	4,648,625
2032 - 2036	2,625,000	2,135,750	4,760,750
2037 - 2041	3,290,000	1,575,175	4,865,175
2042 - 2046	3,980,000	1,018,200	4,998,200
2047 - 2051	4,740,000	365,250	5,105,250
Total	<u>\$ 17,820,000</u>	<u>\$ 10,555,200</u>	<u>\$ 28,375,200</u>

Series 2021A Construction General Obligation Bonds

On March 18, 2021, the District issued \$48,475,000 of current interest bonds to perform school improvement projects. This issue is comprised of general obligation bonds with an interest rate of 4.00%. The general obligation bonds were issued for the purpose of constructing a new high school, and to abate and demolish the existing high school building. As of June 30, 2021, there were \$48,475,000 in unspent proceeds.

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2055. The bonds will be retired from the debt service fund.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The future debt service requirements for retirement of the Series 2021A construction bonds follows:

Fiscal Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2022	\$ 1,350,000	\$ 1,636,809	\$ 2,986,809
2023	1,400,000	1,581,800	2,981,800
2024	1,400,000	1,525,800	2,925,800
2025	1,060,000	1,476,600	2,536,600
2026	1,130,000	1,432,800	2,562,800
2027 - 2031	4,980,000	6,545,600	11,525,600
2032 - 2036	6,270,000	5,457,400	11,727,400
2037 - 2041	1,265,000	4,621,300	5,886,300
2042 - 2046	6,735,000	4,196,825	10,931,825
2047 - 2051	10,565,000	2,723,125	13,288,125
2052 - 2056	<u>12,320,000</u>	<u>945,750</u>	<u>13,265,750</u>
Total	<u>\$ 48,475,000</u>	<u>\$ 32,143,809</u>	<u>\$ 80,618,809</u>

Series 2021B Construction General Obligation Bonds

On April 6, 2021, the District issued \$8,935,000 of current interest bonds to perform school improvement projects. This issue is comprised of general obligation bonds with an interest rate of 3.00%. The general obligation bonds were issued for the purpose of constructing a new high school, and to abate and demolish the existing high school building. As of June 30, 2021, there were \$8,935,000 in unspent proceeds.

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2042. The bonds will be retired from the debt service fund.

The future debt service requirements for retirement of the Series 2021B construction bonds follows:

Fiscal Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2022	\$ -	\$ 268,050	\$ 268,050
2023	-	268,050	268,050
2024	-	268,050	268,050
2025	-	268,050	268,050
2026	-	268,050	268,050
2027 - 2031	-	1,340,250	1,340,250
2032 - 2036	-	1,340,250	1,340,250
2037 - 2041	6,595,000	906,075	7,501,075
2042 - 2043	<u>2,340,000</u>	<u>56,850</u>	<u>2,396,850</u>
Total	<u>\$ 8,935,000</u>	<u>\$ 4,983,675</u>	<u>\$ 13,918,675</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Notes Payable

On December 29, 2020, the District issued \$9,800,000 in general obligation tax anticipation notes to provide for the construction of a new high school. The tax anticipation notes are capital related and long-term in nature and therefore are reported as a long-term obligation of the governmental activities. The notes bear an interest rate of 2.00% and matured on April 15, 2021 with the issuance of the Series 2021B Construction General Obligation Bonds.

The tax anticipation note is considered a direct borrowing. Direct borrowings have terms negotiated directly between the District and the lender (RBC Capital Markets, LLC) and are not offered for public sale. The note is collateralized by future tax collections.

Net Pension Liability

See Note 11 for further information on the District's net pension liability. The District pays obligations related to employee compensation primarily from the general fund.

Net OPEB Liability/Asset

See Note 12 for further information on the District's net OPEB liability/asset. The District pays obligations related to employee compensation primarily from the general fund.

Compensated Absences

Compensated absences are primarily paid from the termination benefits fund which, on a GAAP-basis, is included as part of the District's general fund.

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2021, are a voted debt margin of (\$42,160,070) (including available funds of \$6,778,459), and an unvoted debt margin of \$721,031.

The Ohio Revised Code further provides that when a Board of Education declares a resolution that the student population is not adequately served by existing facilities, and that insufficient capacity exists within the 9% limit to finance additional facilities, the State Department of Education may declare that district a "special needs" district. This permits the incurrence of additional debt based upon projected 5-year growth of the school district's assessed valuation. The Fairborn City School District was determined to be a "special needs" district by the State Superintendent.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 10 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks related to torts, theft of, damage to, and destruction of assets, error and omissions, injuries to employees and natural disasters. During fiscal year 2021, the District carried property and general liability insurance and boiler and machinery insurance.

Professional liability is protected by Arthur J. Gallagher, with \$1,000,000 each occurrence, and \$3,000,000 in annual aggregate limit. An additional “umbrella” policy through Brit Global Specialty, USA has \$4,000,000 per occurrence and \$5,000,000 aggregate limit.

The District contracted with Arthur J. Gallagher for building and property insurance. Commercial property is insured at a limit of \$121,819,704 with a \$5,000 deductible on everything except boiler and machinery that have a \$3,500 deductible.

Automobile liability is covered by Selective Insurance Company for replacement cost with a \$1,000 comprehensive deductible, \$1,000 collision deductible, and combined single limit each accident of \$1,000,000.

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from last year.

B. Workers' Compensation

The District participates in the Ohio School Comp Workers' Compensation Group Retro Rating Program (GRP), an insurance purchasing pool provided by Ohio School Board Association (OSBA). The GRP's business and affairs are conducted by a Board of Trustees consisting of a President and regional representatives. OSBA's executive director and regional managers serve on the board in an ex officio capacity. Each fiscal year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program. CompManagement, a Sedgwick Company, administers the GRP.

C. Employee Medical/Dental Benefits

The District purchases medical and dental benefits through the SOEPC. Medical benefits are provided through Anthem and dental benefits are provided through Delta Dental. The District has two health plans, HSA and PPO. For the HSA plan, the District pays 80% of the premiums for all eligible employees. For the PPO plan, the District pays 80% of family or single plans with the exception of 9-month classified employees. For classified employees working less than 10 months, the District pays 80% of a single PPO plan and 50% of a family PPO plan. The District provides 100% of the cost of dental insurance to employees. The risk of loss transfers to the insurance carrier upon payment of the premiums.

NOTE 11 - 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.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Effective January 1, 2018, SERS cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W) with a cap of 2.5% and a floor of 0%. SERS also has the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W. SERS suspended the COLA increases for 2018, 2019 and 2020 for current retirees, and confirmed their intent to implement a four-year waiting period for the start of a COLA for future retirees. For 2021, the COLA was 0.5%.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was 14.0%.

The District's contractually required contribution to SERS was \$1,064,064 for fiscal year 2021. Of this amount, \$193,821 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 28 years of service, or 33 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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

**FAIRBORN CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For fiscal year 2021, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$3,207,774 for fiscal year 2021. Of this amount, \$573,512 is reported as pension and postemployment benefits payable.

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

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

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

	SERS	STRS	Total
Proportion of the net pension liability prior measurement date	0.19411440%	0.16371949%	
Proportion of the net pension liability current measurement date	<u>0.20480400%</u>	<u>0.17058775%</u>	
Change in proportionate share	<u>0.01068960%</u>	<u>0.00686826%</u>	
Proportionate share of the net pension liability	\$ 13,546,168	\$ 41,276,166	\$ 54,822,334
Pension expense	\$ 2,015,080	\$ 5,095,830	\$ 7,110,910

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ 26,313	\$ 92,613	\$ 118,926
Net difference between projected and actual earnings on pension plan investments	859,907	2,007,265	2,867,172
Changes of assumptions	-	2,215,732	2,215,732
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	461,308	1,587,865	2,049,173
Contributions subsequent to the measurement date	1,064,064	3,207,774	4,271,838
Total deferred outflows of resources	\$ 2,411,592	\$ 9,111,249	\$ 11,522,841
	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 263,932	\$ 263,932
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	-	449,095	449,095
Total deferred inflows of resources	\$ -	\$ 713,027	\$ 713,027

\$4,271,838 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ 307,399	\$ 1,382,917	\$ 1,690,316
2023	412,477	1,124,088	1,536,565
2024	358,427	1,495,086	1,853,513
2025	269,225	1,188,357	1,457,582
Total	\$ 1,347,528	\$ 5,190,448	\$ 6,537,976

**FAIRBORN CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - SERS

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

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

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

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

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
COLA or ad hoc COLA	2.50%
Investment rate of return	7.50% net of investment expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

For 2020, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disabled members was based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted 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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 18,556,596	\$ 13,546,168	\$ 9,342,324

Actuarial Assumptions - STRS

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

	July 1, 2020
Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation
Payroll increases	3.00%
Cost-of-living adjustments (COLA)	0.00%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

For the July 1, 2020, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

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

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

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

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

Discount Rate - The discount rate used to measure the total pension liability was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net pension liability	\$ 58,770,074	\$ 41,276,166	\$ 26,451,535

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 11 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2021, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the District's surcharge obligation was \$141,888.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$141,888 for fiscal year 2021. Of this amount, \$141,888 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.19869360%	0.16371949%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.21275690%</u>	<u>0.17058775%</u>	
Change in proportionate share	<u>0.01406330%</u>	<u>0.00686826%</u>	
Proportionate share of the net OPEB liability	\$ 4,623,904	\$ -	\$ 4,623,904
Proportionate share of the net OPEB asset	\$ -	\$ 2,998,079	\$ 2,998,079
OPEB expense	\$ 131,207	\$ (212,975)	\$ (81,768)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 60,731	\$ 192,103	\$ 252,834
Net difference between projected and actual earnings on OPEB plan investments	52,103	105,073	157,176
Changes of assumptions	788,215	49,490	837,705
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	605,277	100,553	705,830
Contributions subsequent to the measurement date	<u>141,888</u>	<u>-</u>	<u>141,888</u>
Total deferred outflows of resources	<u>\$ 1,648,214</u>	<u>\$ 447,219</u>	<u>\$ 2,095,433</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 2,351,578	\$ 597,176	\$ 2,948,754
Changes of assumptions	116,465	2,847,671	2,964,136
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>-</u>	<u>176,348</u>	<u>176,348</u>
Total deferred inflows of resources	<u>\$ 2,468,043</u>	<u>\$ 3,621,195</u>	<u>\$ 6,089,238</u>

\$141,888 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2022.

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ (183,450)	\$ (808,900)	\$ (992,350)
2023	(179,682)	(737,779)	(917,461)
2024	(180,296)	(712,829)	(893,125)
2025	(201,069)	(638,634)	(839,703)
2026	(163,086)	(132,552)	(295,638)
Thereafter	<u>(54,134)</u>	<u>(143,282)</u>	<u>(197,416)</u>
Total	<u>\$ (961,717)</u>	<u>\$ (3,173,976)</u>	<u>\$ (4,135,693)</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.

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.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

**FAIRBORN CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63%. The discount rate used to measure total OPEB liability prior to June 30, 2019 was 3.22%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45%, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. A municipal bond rate of 3.13% was used as of June 30, 2019. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) and higher (3.63%) than the current discount rate (2.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate (7.00% decreasing to 4.75%).

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 5,659,543	\$ 4,623,904	\$ 3,800,572

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 3,640,972	\$ 4,623,904	\$ 5,938,335

**FAIRBORN CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation, compared with July 1, 2019, are presented below:

	July 1, 2020		July 1, 2019	
	Initial	Ultimate	Initial	Ultimate
Inflation	2.50%		2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.45%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.45%		7.45%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
Medical				
Pre-Medicare	5.00%	4.00%	5.87%	4.00%
Medicare	-6.69%	4.00%	4.93%	4.00%
Prescription Drug				
Pre-Medicare	6.50%	4.00%	7.73%	4.00%
Medicare	11.87%	4.00%	9.62%	4.00%

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

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

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

Benefit Term Changes Since the Prior Measurement Date - There was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

**FAIRBORN CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return **
Domestic Equity	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>	

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
	District's proportionate share of the net OPEB asset	\$ 2,608,522	\$ 2,998,079

	1% Decrease	Current Trend Rate	1% Increase
	District's proportionate share of the net OPEB asset	\$ 3,308,084	\$ 2,998,079

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and Administrators earn ten to twenty days of vacation per year, depending upon length of service. Employees may accumulate and carry over up to two years vacation accumulation. At the time of separation, an employee is entitled to compensation at the current rate of pay for all unused vacation accrued for the immediately preceding two years in addition to the prorated portion of earned but unused vacation leave for the current year. Teachers do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum accumulation. Upon retirement with a minimum of ten years of service with the District or employees who attain age 55 or retire through STRS or SERS payment is made for thirty-three percent of the employee's accumulated sick leave up to a maximum of 84 days for teachers and administrators and 81 days for classified staff.

B. Life Insurance

The District provides life insurance and accidental death insurance to most employees through Unum Life Insurance Company at EPC.

NOTE 14 - CONTINGENCIES

A. Grants

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

B. Litigation

The District is not party to litigation that, in the opinion of management, would have a material effect on the financial condition of the District.

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and,
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (497,946)
Net adjustment for revenue accruals	(551,643)
Net adjustment for expenditure accruals	371,352
Net adjustment for other sources/uses	(150,206)
Funds budgeted elsewhere	(18,179)
GAAP basis	\$ (846,622)

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the rotary fund, public school support fund, unclaimed monies fund, and the termination benefits fund.

NOTE 16 - INTERFUND TRANSACTIONS

A. Interfund loans receivable/payable consisted of the following at June 30, 2021, as reported on the fund statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 19,690

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. Interfund balances between governmental funds are eliminated on the government-wide financial statements, therefore, no internal balances at June 30, 2021 are reported on the Statement of Net Position.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - INTERFUND TRANSACTIONS - (Continued)

B. Transfers for the year ended June 30, 2021 consisted of the following as reported on the fund financial statements:

	Transfer In	Transfer Out
General fund	\$ -	\$ 575,000
Nonmajor governmental funds	575,000	-
Total	\$ 575,000	\$ 575,000

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transactions between governmental funds are eliminated on the government-wide financial statements, therefore, no transfers are reported on the Statement of Activities.

All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16.

NOTE 17 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	Capital Improvements
Set-aside balance June 30, 2020	\$ -
Current year set-aside requirement	736,803
Current year qualifying expenditures	(3,405,644)
Total	\$ (2,668,841)
Balance carried forward to fiscal year 2022	\$ -
Set-aside balance June 30, 2021	\$ -

The District issued school improvement general obligation bonds. These proceeds may be used to reduce the capital improvements set-aside amount to zero for future years. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was \$130,424,763 at June 30, 2021.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 18 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District did not have any outstanding encumbrances.

NOTE 19 - PERMANENT FUND BALANCE

The District's permanent fund consists of many different donations established for a variety of purposes. The permanent fund includes donor-restricted endowment funds. Net position associated with the permanent fund are classified and reported based on the existence or absence of donor-imposed restrictions. Any additional School Board restrictions are reported in expendable net position under the permanent fund.

The District records the annual income of the permanent fund as expendable net position and appropriated for expenditure upon meeting other donor restrictions. The District reports the original and any future permanently restricted donor funds as nonexpendable net position that are used to generate interest income that is available for expenditure.

The District has a spending policy with respect to expendable amounts available for distribution within the permanent fund. The District has typically expended less than the interest earned; however, all expendable funds could be distributed as long as the other donor restrictions have been satisfied.

NOTE 20 - CONTRACTUAL COMMITMENTS

As of June 30, 2021, the District has commitments with the following companies for the construction project.

<u>Contractor</u>	<u>Contract Amount</u>	<u>Amount Paid as of 2021</u>	<u>Amount Remaining On Contract</u>
SHP Leading Design	\$ 3,998,179	\$ 3,147,089	\$ 851,090
Stan and Associates	185,866	138,862	47,004
Conger	23,600,212	3,719,361	19,880,851
Hill International	1,429,011	887,208	541,803
Monarch Construction	<u>23,643,951</u>	<u>20,867,034</u>	<u>2,776,917</u>
Total	<u>\$ 52,857,219</u>	<u>\$ 28,759,554</u>	<u>\$ 24,097,665</u>

These contractual commitments relate to the OFCC project undertaken by the District. In addition to the amounts paid above, the District has recorded contracts and retainage payable in the amounts of \$2,686,549 and \$382,589, respectively for costs incurred prior to fiscal year end on the OFCC project. Costs incurred by fiscal year end (including contracts payable) have been recorded as construction-in-progress in the District's capital assets (see Note 8).

NOTE 21 - TAX ABATEMENT

Other governments have entered into property tax abatement agreements with property owners under Enterprise Zone Agreements ("EZAs") and the Ohio Community Reinvestment Area ("CRA") program within taxing districts of the District. The EZAs and CRA program are direct incentive tax exemption programs benefiting property owners who renovate existing buildings or construct new buildings. Under these programs, the other governments have designated areas to encourage revitalization of the existing structures and the development of new structures.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 21 - TAX ABATEMENT - (Continued)

The District has incurred a reduction in property tax receipts due to agreements entered into by other governments. During fiscal year 2021 the District's property tax receipts were reduced under agreements entered into by other governments as follows:

Government Entering <u>Into Agreement</u>	<u>Tax Abatement Program</u>		District
	<u>CRA</u>	<u>Ezone</u>	<u>Foregone Taxes</u>
City of Fairborn	\$ 136,345	\$ -	\$ 136,345
City of Xenia	83,215	23,486	106,701
Greene County	-	14,949	14,949
Total	<u>\$ 219,560</u>	<u>\$ 38,435</u>	<u>\$ 257,995</u>

The District did not receive any amounts from these other governments in association with the forgone property tax receipts in fiscal year 2021.

NOTE 22 - 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. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District's investment portfolio and the pension and other employee benefits plan in which the District participate 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. In addition, the impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 23 - SUBSEQUENT EVENT

For fiscal year 2022, District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school and scholarship funding will be directly funded by the State of Ohio to the respective schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the District were funded to the District who, in turn, made the payment to the respective school. For fiscal year 2021, the District reported \$4,106,357 in revenue and expenditures/expense related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each District. The District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.20480400%	0.19411440%	0.18993440%	0.17786290%
District's proportionate share of the net pension liability	\$ 13,546,168	\$ 11,614,205	\$ 10,877,895	\$ 10,626,915
District's covered payroll	\$ 7,476,900	\$ 6,841,333	\$ 6,407,785	\$ 5,954,764
District's proportionate share of the net pension liability as a percentage of its covered payroll	181.17%	169.77%	169.76%	178.46%
Plan fiduciary net position as a percentage of the total pension liability	68.55%	70.85%	71.36%	69.50%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.18242430%	0.18358850%	0.18390200%	0.18390200%
\$ 13,351,776	\$ 10,475,738	\$ 9,307,176	\$ 10,936,062
\$ 5,785,543	\$ 5,526,973	\$ 5,343,838	\$ 6,656,228
230.78%	189.54%	174.17%	164.30%
62.98%	69.16%	71.70%	65.52%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.17058775%	0.16371949%	0.16100902%	0.15772794%
District's proportionate share of the net pension liability	\$ 41,276,166	\$ 36,205,581	\$ 35,402,268	\$ 37,468,610
District's covered payroll	\$ 21,100,679	\$ 19,184,071	\$ 18,557,550	\$ 17,562,914
District's proportionate share of the net pension liability as a percentage of its covered payroll	195.62%	188.73%	190.77%	213.34%
Plan fiduciary net position as a percentage of the total pension liability	75.48%	77.40%	77.31%	75.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.16542193%	0.16766317%	0.17550355%	0.17550355%
\$ 55,371,706	\$ 46,337,196	\$ 42,688,537	\$ 50,850,306
\$ 16,907,907	\$ 17,492,843	\$ 17,931,615	\$ 19,845,169
327.49%	264.89%	238.06%	256.24%
66.80%	72.10%	74.70%	69.30%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 1,064,064	\$ 1,046,766	\$ 923,580	\$ 865,051
Contributions in relation to the contractually required contribution	<u>(1,064,064)</u>	<u>(1,046,766)</u>	<u>(923,580)</u>	<u>(865,051)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 7,600,457	\$ 7,476,900	\$ 6,841,333	\$ 6,407,785
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 833,667	\$ 809,976	\$ 728,455	\$ 740,656	\$ 921,222	\$ 892,565
<u>(833,667)</u>	<u>(809,976)</u>	<u>(728,455)</u>	<u>(740,656)</u>	<u>(921,222)</u>	<u>(892,565)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,954,764	\$ 5,785,543	\$ 5,526,973	\$ 5,343,838	\$ 6,656,228	\$ 6,636,171
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 3,207,774	\$ 2,954,095	\$ 2,685,770	\$ 2,598,057
Contributions in relation to the contractually required contribution	<u>(3,207,774)</u>	<u>(2,954,095)</u>	<u>(2,685,770)</u>	<u>(2,598,057)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 22,912,671	\$ 21,100,679	\$ 19,184,071	\$ 18,557,550
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 2,458,808	\$ 2,367,107	\$ 2,448,998	\$ 2,331,110	\$ 2,579,872	\$ 2,717,821
<u>(2,458,808)</u>	<u>(2,367,107)</u>	<u>(2,448,998)</u>	<u>(2,331,110)</u>	<u>(2,579,872)</u>	<u>(2,717,821)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 17,562,914	\$ 16,907,907	\$ 17,492,843	\$ 17,931,615	\$ 19,845,169	\$ 20,906,315
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.21275690%	0.19869360%	0.19211300%	0.18060070%
District's proportionate share of the net OPEB liability	\$ 4,623,904	\$ 4,996,726	\$ 5,329,734	\$ 4,846,848
District's covered payroll	\$ 7,476,900	\$ 6,841,333	\$ 6,407,785	\$ 5,954,764
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	61.84%	73.04%	83.18%	81.39%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.18418380%

\$ 5,249,920

\$ 5,785,543

90.74%

11.49%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportionate share of the net OPEB liability/asset	0.17058775%	0.16371949%	0.16100902%	0.15772794%
District's proportionate share of the net OPEB liability/(asset)	\$ (2,998,079)	\$ (2,711,587)	\$ (2,587,250)	\$ 6,153,962
District's covered payroll	\$ 21,100,679	\$ 19,184,071	\$ 18,557,550	\$ 17,562,914
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	14.21%	14.13%	13.94%	35.04%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	182.10%	174.70%	176.00%	47.10%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.16542193%

\$ 8,846,808

\$ 16,907,907

52.32%

37.30%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 141,888	\$ 137,778	\$ 154,380	\$ 133,271
Contributions in relation to the contractually required contribution	<u>(141,888)</u>	<u>(137,778)</u>	<u>(154,380)</u>	<u>(133,271)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 7,600,457	\$ 7,476,900	\$ 6,841,333	\$ 6,407,785
Contributions as a percentage of covered payroll	1.87%	1.84%	2.26%	2.08%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 122,672	\$ 90,266	\$ 135,718	\$ 9,033	\$ 115,125	\$ 118,185
<u>(122,672)</u>	<u>(90,266)</u>	<u>(135,718)</u>	<u>(9,033)</u>	<u>(115,125)</u>	<u>(118,185)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,954,764	\$ 5,785,543	\$ 5,526,973	\$ 5,343,838	\$ 6,656,228	\$ 6,636,171
2.06%	1.56%	2.46%	0.17%	1.73%	1.78%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 22,912,671	\$ 21,100,679	\$ 19,184,071	\$ 18,557,550
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 181,775	\$ 198,452	\$ 209,063
-	-	-	(181,775)	(198,452)	(209,063)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 17,562,914	\$ 16,907,907	\$ 17,492,843	\$ 17,931,615	\$ 19,845,169	\$ 20,906,315
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. There were no changes in benefit terms from the amounts previously reported for fiscal years 2019-2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2018-2021.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero. There were no changes in benefit terms from amounts previously reported for fiscal years 2019-2021.

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal years 2017-2021.

(Continued)

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%. For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%. For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021. For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate. For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate. For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTAL INFORMATION

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MAJOR FUNDS

General Fund

The general fund is used to account for resources traditionally associated with a school district which are not required legally or by sound financial management to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration

Since the legal level of budgetary control is not greater than that presented in the basic financial statements, no additional financial statements are presented for the general fund.

OTHER MAJOR FUNDS

Debt Service Fund

A fund used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain long-term obligations from governmental resources when the government is obligated in some manner for payment. It is also used to account for the accumulation of resources and payment of general obligation bonds and library bonds payable, as required by Ohio Law.

Building Fund

This fund is used to account for monies received and expended in connection with the renovation and construction of District buildings.

Classroom Facilities

To account for the monies received and expended in connection with contracts entered into by the District and the Ohio Facilities Construction Commission (OFCC) for the building and equipping of classroom facilities.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Debt service				
Total Revenues and Other Sources	\$ 2,950,940	\$ 18,106,878	\$ 18,120,851	\$ 13,973
Total Expenditures and Other Uses	<u>3,000,000</u>	<u>13,261,700</u>	<u>13,221,278</u>	<u>40,422</u>
Net Change in Fund Balance	(49,060)	4,845,178	4,899,573	54,395
Fund balance at beginning of year	<u>1,584,975</u>	<u>1,584,975</u>	<u>1,584,975</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,535,915</u>	<u>\$ 6,430,153</u>	<u>\$ 6,484,548</u>	<u>\$ 54,395</u>
Building				
Total Revenues and Other Sources	\$ 100,000	\$ 76,922,588	\$ 76,843,214	\$ (79,374)
Total Expenditures and Other Uses	<u>5,105,066</u>	<u>10,105,066</u>	<u>3,781,685</u>	<u>6,323,381</u>
Net Change in Fund Balance	(5,005,066)	66,817,522	73,061,529	6,244,007
Fund balance at beginning of year	181,391	181,391	181,391	-
Prior year encumbrances appropriated	<u>5,105,066</u>	<u>5,105,066</u>	<u>5,105,066</u>	<u>-</u>
Fund balance at end of year	<u>\$ 281,391</u>	<u>\$ 72,103,979</u>	<u>\$ 78,347,986</u>	<u>\$ 6,244,007</u>
Classroom facilities				
Total Revenues and Other Sources	\$ 6,324,094	\$ 13,324,094	\$ 4,685,833	\$ (8,638,261)
Total Expenditures and Other Uses	<u>37,164,818</u>	<u>30,379,718</u>	<u>8,192,113</u>	<u>22,187,605</u>
Net Change in Fund Balance	(30,840,724)	(17,055,624)	(3,506,280)	13,549,344
Fund balance (deficit) at beginning of year	(13,091,106)	(13,091,106)	(13,091,106)	-
Prior Year Encumbrances Appropriated	<u>30,164,818</u>	<u>30,164,818</u>	<u>30,164,818</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (13,767,012)</u>	<u>\$ 18,088</u>	<u>\$ 13,567,432</u>	<u>\$ 13,549,344</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 1,891,509	\$ 986,042	\$ 12,929	\$ 2,890,480
Cash with fiscal agent	-	1,501,343	-	1,501,343
Receivables:				
Property taxes	151,168	1,141,405	-	1,292,573
Payment in lieu of taxes	25,122	-	-	25,122
Intergovernmental	650,501	-	-	650,501
Prepayments	2,167	-	-	2,167
Materials and supplies inventory	1,115	-	-	1,115
Inventory held for resale	1,033	-	-	1,033
Total assets	<u>\$ 2,722,615</u>	<u>\$ 3,628,790</u>	<u>\$ 12,929</u>	<u>\$ 6,364,334</u>
Liabilities:				
Accounts payable	\$ 105,579	\$ 5,595	\$ -	\$ 111,174
Accrued wages and benefits	527,409	-	-	527,409
Intergovernmental payable	6,828	-	-	6,828
Pension and postemployment benefits payable	152,823	-	-	152,823
Interfund loan payable	19,690	-	-	19,690
Total liabilities	<u>812,329</u>	<u>5,595</u>	<u>-</u>	<u>817,924</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	139,465	1,054,847	-	1,194,312
Payment in lieu of taxes levied for next fiscal year	25,122	-	-	25,122
Delinquent property tax revenue not available	3,852	28,553	-	32,405
Intergovernmental revenue not available	272,692	-	-	272,692
Total deferred inflows of resources	<u>441,131</u>	<u>1,083,400</u>	<u>-</u>	<u>1,524,531</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	1,115	-	-	1,115
Prepays	2,167	-	-	2,167
Permanent fund	-	-	12,929	12,929
Endowments	21,325	-	-	21,325
Restricted:				
Capital improvements	-	2,539,795	-	2,539,795
Classroom facilities maintenance	716,166	-	-	716,166
Food service operations	238,228	-	-	238,228
Non-public schools	6,302	-	-	6,302
State funded programs	219,693	-	-	219,693
Federally funded programs	4,326	-	-	4,326
Extracurricular	336,705	-	-	336,705
Special trusts	4,461	-	-	4,461
Other purposes	17,122	-	-	17,122
Unassigned (deficit)	<u>(98,455)</u>	<u>-</u>	<u>-</u>	<u>(98,455)</u>
Total fund balances	<u>1,469,155</u>	<u>2,539,795</u>	<u>12,929</u>	<u>4,021,879</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,722,615</u>	<u>\$ 3,628,790</u>	<u>\$ 12,929</u>	<u>\$ 6,364,334</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 154,927	\$ 693,460	\$ -	\$ 848,387
Intergovernmental	6,912,215	15,148	-	6,927,363
Investment earnings	4,840	-	52	4,892
Tuition and fees	8,428	-	-	8,428
Extracurricular	88,777	-	-	88,777
Charges for services	35,608	-	-	35,608
Contributions and donations	4,099	-	-	4,099
Payment in lieu of taxes	2,982	-	-	2,982
Miscellaneous	64,773	-	-	64,773
Total revenues	<u>7,276,649</u>	<u>708,608</u>	<u>52</u>	<u>7,985,309</u>
Expenditures:				
Current:				
Instruction:				
Regular	\$ 1,278,912	\$ -	\$ -	\$ 1,278,912
Special	2,370,496	-	-	2,370,496
Support services:				
Pupil	1,187,813	-	-	1,187,813
Instructional staff	194,075	-	-	194,075
Administration	159,429	-	-	159,429
Fiscal	9,108	6,692	-	15,800
Business	53,324	-	-	53,324
Operations and maintenance	57,954	432,423	-	490,377
Central	151,048	-	-	151,048
Operation of non-instructional services:				
Food service operations	1,627,313	-	-	1,627,313
Other non-instructional services	112,759	-	-	112,759
Extracurricular activities	262,076	-	-	262,076
Facilities acquisition and construction	76,702	-	-	76,702
Debt service:				
Interest and fiscal charges	-	131,873	-	131,873
Total expenditures	<u>7,541,009</u>	<u>570,988</u>	<u>-</u>	<u>8,111,997</u>
Excess (deficiency) of revenues over (under) expenditures	(264,360)	137,620	52	(126,688)
Other financing sources:				
Premium on bonds	-	1,633,216	-	1,633,216
Transfers in	75,000	500,000	-	575,000
Total other financing sources	<u>75,000</u>	<u>2,133,216</u>	<u>-</u>	<u>2,208,216</u>
Net change in fund balances	(189,360)	2,270,836	52	2,081,528
Fund balances at beginning of year	<u>1,658,515</u>	<u>268,959</u>	<u>12,877</u>	<u>1,940,351</u>
Fund balances at end of year	<u>\$ 1,469,155</u>	<u>\$ 2,539,795</u>	<u>\$ 12,929</u>	<u>\$ 4,021,879</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FUND DESCRIPTIONS

Nonmajor Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. The nonmajor special revenue funds are:

Miscellaneous Grants

To account for a number of small local grants that are restricted for specific expenditures.

District Managed Student Activity

To account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes athletic programs as well as band, cheerleaders, drama clubs, and other similar types of activities.

Auxiliary Services

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

Public School Preschool

To account for State funds provided to the District for paying the cost of preschool programs for three and four year olds.

Data Communications

To account for revenues received from the State to be used to install and provide support costs for data communication links to connect any school to the local A-site.

Special Trust

To account for contributions received that can be expended for the benefit of the District's programs. For the District, this includes volunteer appreciation, chemical interventions, and the Hall of Honor.

Miscellaneous State Grants

To account for monies received from State agencies which are not classified elsewhere.

Limited English Proficiency

To account for federal monies to develop and carry out elementary and secondary school programs to meet the educational needs of children of limited English proficiency.

Title VI-B

To account for Federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FUND DESCRIPTIONS

Nonmajor Special Revenue Funds (Continued)

Title I

To account for Federal funds for services provided to meet special educational needs of educationally deprived children.

EHA Preschool Grant

To account for Federal funds used for the improvement and expansion of services for handicapped children ages three through five years.

Supporting Effective Instruction

To account for a Federal grant aimed at creating effective instruction for students.

Miscellaneous Federal Grants

To account for Federal revenues received through State agencies from the Federal government or directly from the Federal government which are not classified elsewhere.

Food Service

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

Classroom Facilities Maintenance

To account for revenues earmarked for the maintenance of facilities.

Student Managed Activity

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund includes activities which consist of a student body, student president, student treasurer, and faculty advisor.

Scholarship fund

A fund provided to account for an endowment for student scholarships paid from earnings on the initial investment, which do not support District programs. The District is in charge of selecting the scholarship recipient.

Student Wellness & Success

This fund accounts for revenues received from the State to be used for students well being and success, such as providing mental health services for students.

Elementary and Secondary School Emergency Relief (ESSER)

To account for emergency relief grants related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Coronavirus Relief Fund

To account for costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease (COVID-19).

Non-competitive supplemental

A fund provided to account for revenues received from the federal government to help schools improve teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FUND DESCRIPTIONS

Nonmajor Special Revenue Funds (Continued)

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

Termination Benefits

To account for monies used for payment of termination benefits to former employees

Rotary Fund

To account for operations that provide goods or services to other governmental units on a cost-reimbursement basis

Public School Support

To account for specific local revenue sources (other than taxes) generated by individual school buildings (e.g. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

Unclaimed Funds

This fund accounts for the unclaimed monies within the District. These monies must be held for a period of time, after that time period passes, the monies may be returned to the general fund.

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Miscellaneous Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Public School Preschool</u>
Assets:				
Equity in pooled cash and investments	\$ 17,122	\$ 185,551	\$ 19,742	\$ -
Receivables:				
Property taxes	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Intergovernmental	-	-	-	27,965
Prepayments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets	<u>\$ 17,122</u>	<u>\$ 185,551</u>	<u>\$ 19,742</u>	<u>\$ 27,965</u>
Liabilities:				
Accounts payable	\$ -	\$ 10,960	\$ 11,165	\$ -
Accrued wages and benefits	-	-	-	5,565
Intergovernmental payable	-	-	-	55
Pension and postemployment benefits payable	-	28	2,275	531
Interfund loan payable	-	-	-	2,193
Total liabilities	<u>-</u>	<u>10,988</u>	<u>13,440</u>	<u>8,344</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Payment in lieu of taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	-	-	-	25,772
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,772</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Prepays	-	-	-	-
Endowments	-	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
Non-public schools	-	-	6,302	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Extracurricular	-	174,563	-	-
Special trusts	-	-	-	-
Other purposes	17,122	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,151)</u>
Total fund balances (deficit)	<u>17,122</u>	<u>174,563</u>	<u>6,302</u>	<u>(6,151)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 17,122</u>	<u>\$ 185,551</u>	<u>\$ 19,742</u>	<u>\$ 27,965</u>

<u>Special Trust</u>	<u>Miscellaneous State Grants</u>	<u>Limited English Proficiency</u>	<u>Title VI-B</u>	<u>Title I</u>	<u>EHA Preschool Grant</u>
\$ 4,461	\$ 4,292	\$ 1	\$ -	\$ -	\$ 316
-	-	-	-	-	-
-	-	-	-	-	-
-	7,930	482	187,573	202,280	11,566
-	-	-	2,167	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,461</u>	<u>\$ 12,222</u>	<u>\$ 483</u>	<u>\$ 189,740</u>	<u>\$ 202,280</u>	<u>\$ 11,882</u>
\$ -	\$ 485	\$ 557	\$ -	\$ 1,337	\$ -
-	4,211	-	136,510	134,878	3,965
-	61	-	1,776	1,733	56
-	708	-	22,648	29,374	542
-	-	-	2,858	14,639	-
<u>-</u>	<u>5,465</u>	<u>557</u>	<u>163,792</u>	<u>181,961</u>	<u>4,563</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,657	-	75,950	57,792	9,107
<u>-</u>	<u>2,657</u>	<u>-</u>	<u>75,950</u>	<u>57,792</u>	<u>9,107</u>
-	-	-	-	-	-
-	-	-	2,167	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,100	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,461	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(74)</u>	<u>(52,169)</u>	<u>(37,473)</u>	<u>(1,788)</u>
<u>4,461</u>	<u>4,100</u>	<u>(74)</u>	<u>(50,002)</u>	<u>(37,473)</u>	<u>(1,788)</u>
<u>\$ 4,461</u>	<u>\$ 12,222</u>	<u>\$ 483</u>	<u>\$ 189,740</u>	<u>\$ 202,280</u>	<u>\$ 11,882</u>

- Continued

FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	Supporting Effective Instruction	Miscellaneous Federal Grants	Food Service	Classroom Facilities Maintenance
Assets:				
Equity in pooled cash and investments	\$ 494	\$ 703	\$ 405,324	\$ 708,315
Receivables:				
Property taxes	-	-	-	151,168
Payment in lieu of taxes	-	-	-	25,122
Intergovernmental	176,263	17,935	-	-
Prepayments	-	-	-	-
Materials and supplies inventory	-	-	1,115	-
Inventory held for resale	-	-	1,033	-
Total assets	<u>\$ 176,757</u>	<u>\$ 18,638</u>	<u>\$ 407,472</u>	<u>\$ 884,605</u>
Liabilities:				
Accounts payable	\$ 58,090	\$ -	\$ 22,287	\$ -
Accrued wages and benefits	14,233	9,358	98,251	-
Intergovernmental payable	206	136	1,278	-
Pension and postemployment benefits payable	6,780	2,560	46,313	-
Interfund loan payable	-	-	-	-
Total liabilities	<u>79,309</u>	<u>12,054</u>	<u>168,129</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	139,465
Payment in lieu of taxes levied for the next fiscal year	-	-	-	25,122
Delinquent property tax revenue not available	-	-	-	3,852
Intergovernmental revenue not available	93,122	7,384	-	-
Total deferred inflows of resources	<u>93,122</u>	<u>7,384</u>	<u>-</u>	<u>168,439</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	1,115	-
Prepays	-	-	-	-
Endowments	-	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	716,166
Food service operations	-	-	238,228	-
Non-public schools	-	-	-	-
State funded programs	-	-	-	-
Federally funded programs	4,326	-	-	-
Extracurricular	-	-	-	-
Special trusts	-	-	-	-
Other purposes	-	-	-	-
Unassigned (deficit)	<u>-</u>	<u>(800)</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>4,326</u>	<u>(800)</u>	<u>239,343</u>	<u>716,166</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 176,757</u>	<u>\$ 18,638</u>	<u>\$ 407,472</u>	<u>\$ 884,605</u>

- Continued

Student Managed Activity	Scholarship Fund	Student Wellness and Success	ESSER	Coronavirus Relief	Non- competitive Supplemental	Total Nonmajor Special Revenue Funds
\$ 162,527	\$ 21,325	\$ 361,336	\$ -	\$ -	\$ -	1,891,509
-	-	-	-	-	-	151,168
-	-	-	-	-	-	25,122
-	-	-	17,599	357	551	650,501
-	-	-	-	-	-	2,167
-	-	-	-	-	-	1,115
-	-	-	-	-	-	1,033
<u>\$ 162,527</u>	<u>\$ 21,325</u>	<u>\$ 361,336</u>	<u>\$ 17,599</u>	<u>\$ 357</u>	<u>\$ 551</u>	<u>\$ 2,722,615</u>
\$ 385	\$ -	\$ -	\$ 313	\$ -	\$ -	\$ 105,579
-	-	120,438	-	-	-	527,409
-	-	1,527	-	-	-	6,828
-	-	23,778	17,286	-	-	152,823
-	-	-	-	-	-	19,690
<u>385</u>	<u>-</u>	<u>145,743</u>	<u>17,599</u>	<u>-</u>	<u>-</u>	<u>812,329</u>
-	-	-	-	-	-	139,465
-	-	-	-	-	-	25,122
-	-	-	-	-	-	3,852
-	-	-	-	357	551	272,692
-	-	-	-	357	551	441,131
-	-	-	-	-	-	1,115
-	-	-	-	-	-	2,167
-	21,325	-	-	-	-	21,325
-	-	-	-	-	-	716,166
-	-	-	-	-	-	238,228
-	-	-	-	-	-	6,302
-	-	215,593	-	-	-	219,693
-	-	-	-	-	-	4,326
162,142	-	-	-	-	-	336,705
-	-	-	-	-	-	4,461
-	-	-	-	-	-	17,122
-	-	-	-	-	-	(98,455)
<u>162,142</u>	<u>21,325</u>	<u>215,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,469,155</u>
<u>\$ 162,527</u>	<u>\$ 21,325</u>	<u>\$ 361,336</u>	<u>\$ 17,599</u>	<u>\$ 357</u>	<u>\$ 551</u>	<u>\$ 2,722,615</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Miscellaneous Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Public School Preschool</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	78,829	175,660
Investment earnings	-	629	111	-
Tuition and fees	-	8,428	-	-
Extracurricular	-	52,196	-	-
Charges for services	-	-	-	-
Contributions and donations	2,600	1,340	-	-
Payment in lieu of taxes	-	-	-	-
Miscellaneous	-	62,688	-	-
Total revenues	<u>2,600</u>	<u>125,281</u>	<u>78,940</u>	<u>175,660</u>
Expenditures:				
Current:				
Instruction:				
Regular	\$ 812	\$ -	\$ -	\$ -
Special	-	-	18,325	175,652
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
Administration	-	-	9,493	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	-	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	-	-	71,045	-
Extracurricular activities	-	218,729	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>812</u>	<u>218,729</u>	<u>98,863</u>	<u>175,652</u>
Excess (deficiency) of revenues over (under) expenditures	1,788	(93,448)	(19,923)	8
Other financing sources:				
Transfers in	-	75,000	-	-
Total other financing sources	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,788	(18,448)	(19,923)	8
Fund balances (deficits) at beginning of year	<u>15,334</u>	<u>193,011</u>	<u>26,225</u>	<u>(6,159)</u>
Fund balances (deficits) at end of year	<u>\$ 17,122</u>	<u>\$ 174,563</u>	<u>\$ 6,302</u>	<u>\$ (6,151)</u>

Data Communications	Special Trust	Miscellaneous State Grants	Limited English Proficiency	Title VI-B	Title I
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7,200	-	25,819	15,507	1,079,975	1,373,680
-	18	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,200</u>	<u>18</u>	<u>25,819</u>	<u>15,507</u>	<u>1,079,975</u>	<u>1,373,680</u>
\$ -	\$ -	\$ -	\$ 16,078	\$ -	\$ -
-	-	-	-	936,783	1,206,914
-	-	27,882	-	-	-
-	-	-	-	-	844
7,200	-	-	-	84,644	65,292
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	11,600
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,200</u>	<u>-</u>	<u>27,882</u>	<u>16,078</u>	<u>1,021,427</u>	<u>1,284,650</u>
-	18	(2,063)	(571)	58,548	89,030
-	-	-	-	-	-
-	-	-	-	-	-
-	18	(2,063)	(571)	58,548	89,030
-	4,443	6,163	497	(108,550)	(126,503)
<u>\$ -</u>	<u>\$ 4,461</u>	<u>\$ 4,100</u>	<u>\$ (74)</u>	<u>\$ (50,002)</u>	<u>\$ (37,473)</u>

- Continued

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>EHA Preschool Grant</u>	<u>Supporting Effective Instruction</u>	<u>Miscellaneous Federal Grants</u>	<u>Food Service</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	34,709	210,293	95,418	971,092
Investment earnings	-	-	-	3,393
Tuition and fees	-	-	-	-
Extracurricular	-	-	-	-
Charges for services	-	-	-	35,608
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>34,709</u>	<u>210,293</u>	<u>95,418</u>	<u>1,010,093</u>
Expenditures:				
Current:				
Instruction:				
Regular	\$ -	\$ 297	\$ 26,990	\$ -
Special	32,822	-	-	-
Support services:				
Pupil	-	-	58,749	-
Instructional staff	-	186,037	7,194	-
Administration	-	-	-	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	-	-	300	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	1,627,313
Other non-instructional services	-	3,259	-	-
Extracurricular activities	-	-	-	-
Facilities acquisition and construction	-	-	-	76,702
Total expenditures	<u>32,822</u>	<u>189,593</u>	<u>93,233</u>	<u>1,704,015</u>
Excess (deficiency) of revenues over (under) expenditures	1,887	20,700	2,185	(693,922)
Other financing sources:				
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,887	20,700	2,185	(693,922)
Fund balances (deficits) at beginning of year	<u>(3,675)</u>	<u>(16,374)</u>	<u>(2,985)</u>	<u>933,265</u>
Fund balances (deficits) at end of year	<u>\$ (1,788)</u>	<u>\$ 4,326</u>	<u>\$ (800)</u>	<u>\$ 239,343</u>

- Continued

Classroom Facilities Maintenance	Student Managed Activity	Scholarship Fund	Student Wellness and Success	ESSER	Coronavirus Relief	Total Nonmajor Special Revenue Funds
\$ 154,927	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,927
4,684	-	-	1,316,454	1,121,157	401,738	6,912,215
-	604	85	-	-	-	4,840
-	-	-	-	-	-	8,428
-	36,581	-	-	-	-	88,777
-	-	-	-	-	-	35,608
-	159	-	-	-	-	4,099
2,982	-	-	-	-	-	2,982
-	2,085	-	-	-	-	64,773
<u>162,593</u>	<u>39,429</u>	<u>85</u>	<u>1,316,454</u>	<u>1,121,157</u>	<u>401,738</u>	<u>7,276,649</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,095,323	\$ 139,412	\$ 1,278,912
-	-	-	-	-	-	2,370,496
-	-	-	1,101,182	-	-	1,187,813
-	-	-	-	-	-	194,075
-	-	-	-	-	-	159,429
1,908	-	-	-	-	-	9,108
-	-	-	-	-	53,324	53,324
-	-	-	-	25,834	31,820	57,954
-	-	-	-	-	151,048	151,048
-	-	-	-	-	-	1,627,313
-	721	-	-	-	26,134	112,759
-	43,347	-	-	-	-	262,076
-	-	-	-	-	-	76,702
<u>1,908</u>	<u>44,068</u>	<u>-</u>	<u>1,101,182</u>	<u>1,121,157</u>	<u>401,738</u>	<u>7,541,009</u>
160,685	(4,639)	85	215,272	-	-	(264,360)
-	-	-	-	-	-	75,000
-	-	-	-	-	-	75,000
160,685	(4,639)	85	215,272	-	-	(189,360)
<u>555,481</u>	<u>166,781</u>	<u>21,240</u>	<u>321</u>	<u>-</u>	<u>-</u>	<u>1,658,515</u>
<u>\$ 716,166</u>	<u>\$ 162,142</u>	<u>\$ 21,325</u>	<u>\$ 215,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,469,155</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous Grants				
Total Revenues and Other Sources	\$ 1,600	\$ 2,500	\$ 2,600	\$ 100
Total Expenditures and Other Uses	<u>15,313</u>	<u>15,313</u>	<u>812</u>	<u>14,501</u>
Net Change in Fund Balance	(13,713)	(12,813)	1,788	14,601
Fund balance at beginning of year	15,021	15,021	15,021	-
Prior year encumbrances appropriated	<u>313</u>	<u>313</u>	<u>313</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,621</u>	<u>\$ 2,521</u>	<u>\$ 17,122</u>	<u>\$ 14,601</u>
District Managed Student Activity				
Total Revenues and Other Sources	\$ 127,227	\$ 204,130	\$ 200,575	\$ (3,555)
Total Expenditures and Other Uses	<u>304,737</u>	<u>304,737</u>	<u>217,631</u>	<u>87,106</u>
Net Change in Fund Balance	(177,510)	(100,607)	(17,056)	83,551
Fund balance at beginning of year	197,870	197,870	197,870	-
Prior year encumbrances appropriated	<u>4,737</u>	<u>4,737</u>	<u>4,737</u>	<u>-</u>
Fund balance at end of year	<u>\$ 25,097</u>	<u>\$ 102,000</u>	<u>\$ 185,551</u>	<u>\$ 83,551</u>
Auxiliary Services				
Total Revenues and Other Sources	\$ 81,200	\$ 82,637	\$ 78,940	\$ (3,697)
Total Expenditures and Other Uses	<u>88,697</u>	<u>112,633</u>	<u>89,194</u>	<u>23,439</u>
Net Change in Fund Balance	(7,497)	(29,996)	(10,254)	19,742
Fund balance at beginning of year	26,299	26,299	26,299	-
Prior year encumbrances appropriated	<u>3,697</u>	<u>3,697</u>	<u>3,697</u>	<u>-</u>
Fund balance at end of year	<u>\$ 22,499</u>	<u>\$ -</u>	<u>\$ 19,742</u>	<u>\$ 19,742</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public School Preschool				
Total Revenues and Other Sources	\$ 218,000	\$ 218,000	\$ 180,905	\$ (37,095)
Total Expenditures and Other Uses	<u>190,000</u>	<u>201,432</u>	<u>175,661</u>	<u>25,771</u>
Net Change in Fund Balance	28,000	16,568	5,244	(11,324)
Fund balance (deficit) at beginning of year	<u>(7,437)</u>	<u>(7,437)</u>	<u>(7,437)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 20,563</u>	<u>\$ 9,131</u>	<u>\$ (2,193)</u>	<u>\$ (11,324)</u>
Data Communications				
Total Revenues and Other Sources	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
Total Expenditures and Other Uses	<u>7,200</u>	<u>7,200</u>	<u>\$ 7,200</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Special Trust				
Total Revenues and Other Sources	\$ 80	\$ 80	\$ 18	\$ (62)
Total Expenditures and Other Uses	<u>8,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Net Change in Fund Balance	(7,920)	(3,920)	18	3,938
Fund balance at beginning of year	<u>4,443</u>	<u>4,443</u>	<u>4,443</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (3,477)</u>	<u>\$ 523</u>	<u>\$ 4,461</u>	<u>\$ 3,938</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous State Grants				
Total Revenues and Other Sources	\$ 28,476	\$ 28,476	\$ 20,546	\$ (7,930)
Total Expenditures and Other Uses	<u>28,476</u>	<u>28,476</u>	<u>22,417</u>	<u>6,059</u>
Net Change in Fund Balance	-	-	(1,871)	(1,871)
Fund balance at beginning of year	<u>6,163</u>	<u>6,163</u>	<u>6,163</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,163</u>	<u>\$ 6,163</u>	<u>\$ 4,292</u>	<u>\$ (1,871)</u>
Limited English Proficiency				
Total Revenues and Other Sources	\$ 18,341	\$ 18,169	\$ 15,025	\$ (3,144)
Total Expenditures and Other Uses	<u>16,403</u>	<u>18,602</u>	<u>15,458</u>	<u>3,144</u>
Net Change in Fund Balance	1,938	(433)	(433)	-
Fund balance (deficit) at beginning of year	(969)	(969)	(969)	-
Prior year encumbrances appropriated	<u>1,403</u>	<u>1,403</u>	<u>1,403</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,372</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>
Title VI-B				
Total Revenues and Other Sources	\$ 1,196,462	\$ 1,168,422	\$ 968,352	\$ (200,070)
Total Expenditures and Other Uses	<u>1,000,000</u>	<u>1,193,487</u>	<u>996,275</u>	<u>197,212</u>
Net Change in Fund Balance	196,462	(25,065)	(27,923)	(2,858)
Fund balance at beginning of year	<u>25,065</u>	<u>25,065</u>	<u>25,065</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 221,527</u>	<u>\$ -</u>	<u>\$ (2,858)</u>	<u>\$ (2,858)</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Title I				
Total Revenues and Other Sources	\$ 1,518,964	\$ 1,887,858	\$ 1,229,192	\$ (658,666)
Total Expenditures and Other Uses	<u>1,502,479</u>	<u>1,924,102</u>	<u>1,280,075</u>	<u>644,027</u>
Net Change in Fund Balance	16,485	(36,244)	(50,883)	(14,639)
Fund balance at beginning of year	33,765	33,765	33,765	-
Prior year encumbrances appropriated	<u>2,479</u>	<u>2,479</u>	<u>2,479</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 52,729</u>	<u>\$ -</u>	<u>\$ (14,639)</u>	<u>\$ (14,639)</u>
EHA Preschool Grant				
Total Revenues and Other Sources	\$ 49,409	\$ 61,514	\$ 32,250	\$ (29,264)
Total Expenditures and Other Uses	<u>50,000</u>	<u>62,132</u>	<u>32,552</u>	<u>29,580</u>
Net Change in Fund Balance	(591)	(618)	(302)	316
Fund balance at beginning of year	<u>618</u>	<u>618</u>	<u>618</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27</u>	<u>\$ -</u>	<u>\$ 316</u>	<u>\$ 316</u>
Supporting Effective Instruction				
Total Revenues and Other Sources	\$ 219,360	\$ 336,118	\$ 127,152	\$ (208,966)
Total Expenditures and Other Uses	<u>181,205</u>	<u>339,007</u>	<u>129,547</u>	<u>209,460</u>
Net Change in Fund Balance	38,155	(2,889)	(2,395)	494
Fund balance (deficit) at beginning of year	(3,316)	(3,316)	(3,316)	-
Prior year encumbrances appropriated	<u>6,205</u>	<u>6,205</u>	<u>6,205</u>	<u>-</u>
Fund balance at end of year	<u>\$ 41,044</u>	<u>\$ -</u>	<u>\$ 494</u>	<u>\$ 494</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous Federal Grants				
Total Revenues and Other Sources	\$ 140,186	\$ 176,219	\$ 84,867	\$ (91,352)
Total Expenditures and Other Uses	<u>101,602</u>	<u>169,870</u>	<u>84,174</u>	<u>85,696</u>
Net Change in Fund Balance	38,584	6,349	693	(5,656)
Fund balance (deficit) at beginning of year	(1,592)	(1,592)	(1,592)	-
Prior year encumbrances appropriated	<u>1,602</u>	<u>1,602</u>	<u>1,602</u>	<u>-</u>
Fund balance at end of year	<u>\$ 38,594</u>	<u>\$ 6,359</u>	<u>\$ 703</u>	<u>\$ (5,656)</u>
Food Service				
Total Revenues and Other Sources	\$ 1,606,200	\$ 2,006,200	\$ 919,828	\$ (1,086,372)
Total Expenditures and Other Uses	<u>3,531,135</u>	<u>3,031,135</u>	<u>2,043,983</u>	<u>987,152</u>
Net Change in Fund Balance	(1,924,935)	(1,024,935)	(1,124,155)	(99,220)
Fund balance at beginning of year	498,344	498,344	498,344	-
Prior year encumbrances appropriated	<u>1,031,135</u>	<u>1,031,135</u>	<u>1,031,135</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (395,456)</u>	<u>\$ 504,544</u>	<u>\$ 405,324</u>	<u>\$ (99,220)</u>
Classroom Facilities Maintenance				
Total Revenues and Other Sources	\$ 150,540	\$ 150,540	\$ 161,662	\$ 11,122
Total Expenditures and Other Uses	<u>525,000</u>	<u>525,000</u>	<u>1,908</u>	<u>523,092</u>
Net Change in Fund Balance	(374,460)	(374,460)	159,754	534,214
Fund balance at beginning of year	<u>548,561</u>	<u>548,561</u>	<u>548,561</u>	<u>-</u>
Fund balance at end of year	<u>\$ 174,101</u>	<u>\$ 174,101</u>	<u>\$ 708,315</u>	<u>\$ 534,214</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Student Managed Activity				
Total Revenues and Other Sources	\$ 348,703	\$ 141,588	\$ 71,732	\$ (69,856)
Total Expenditures and Other Uses	<u>258,368</u>	<u>245,368</u>	<u>75,986</u>	<u>169,382</u>
Net Change in Fund Balance	90,335	(103,780)	(4,254)	99,526
Fund balance at beginning of year	158,413	158,413	158,413	-
Prior year encumbrances appropriated	<u>8,368</u>	<u>8,368</u>	<u>8,368</u>	<u>-</u>
Fund balance at end of year	<u>\$ 257,116</u>	<u>\$ 63,001</u>	<u>\$ 162,527</u>	<u>\$ 99,526</u>
Scholarship Fund				
Total Revenues and Other Sources	\$ 311	\$ 311	\$ 85	\$ (226)
Total Expenditures and Other Uses	<u>9,345</u>	<u>9,345</u>	<u>-</u>	<u>9,345</u>
Net Change in Fund Balance	(9,034)	(9,034)	85	9,119
Fund balance at beginning of year	<u>21,240</u>	<u>21,240</u>	<u>21,240</u>	<u>-</u>
Fund balance at end of year	<u>\$ 12,206</u>	<u>\$ 12,206</u>	<u>\$ 21,325</u>	<u>\$ 9,119</u>
Student Wellness & Success				
Total Revenues and Other Sources	\$ 1,317,721	\$ 1,316,454	\$ 1,316,454	\$ -
Total Expenditures and Other Uses	<u>1,439,088</u>	<u>1,437,821</u>	<u>1,076,485</u>	<u>361,336</u>
Net Change in Fund Balance	(121,367)	(121,367)	239,969	361,336
Fund balance at beginning of year	<u>121,367</u>	<u>121,367</u>	<u>121,367</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 361,336</u>	<u>\$ 361,336</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Elementary and Secondary School Emergency Relief				
Total Revenues and Other Sources	\$ 1,108,220	\$ 5,108,220	\$ 1,103,558	\$ (4,004,662)
Total Expenditures and Other Uses	<u>1,108,220</u>	<u>5,108,220</u>	<u>1,103,558</u>	<u>4,004,662</u>
Net Change in Fund Balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Coronavirus Relief Fund				
Total Revenues and Other Sources	\$ 250,689	\$ 402,095	\$ 401,738	\$ (357)
Total Expenditures and Other Uses	<u>402,095</u>	<u>402,095</u>	<u>401,738</u>	<u>357</u>
Net Change in Fund Balance	(151,406)	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ (151,406)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Non Competitive Supplemental				
Total Revenues and Other Sources	\$ -	\$ 40,650	\$ -	\$ (40,650)
Total Expenditures and Other Uses	<u>-</u>	<u>40,650</u>	<u>-</u>	<u>40,650</u>
Net Change in Fund Balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Termination Benefits				
Total Expenditures and Other Uses	\$ 514,000	\$ 514,000	\$ 43,745	\$ 470,255
Net Change in Fund Balance	(514,000)	(514,000)	(43,745)	470,255
Fund balance at beginning of year	659,098	659,098	659,098	-
Prior year encumbrances appropriated	14,000	14,000	14,000	-
Fund balance at end of year	<u>\$ 159,098</u>	<u>\$ 159,098</u>	<u>\$ 629,353</u>	<u>\$ 470,255</u>
Rotary Fund				
Total Expenditures and Other Uses	\$ 750	\$ 750	\$ -	\$ 750
Net Change in Fund Balance	(750)	(750)	-	750
Fund balance at beginning of year	775	775	775	-
Fund balance at end of year	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 775</u>	<u>\$ 750</u>
Public School Support				
Total Revenues and Other Sources	\$ 161,300	\$ 50,000	\$ 52,054	\$ 2,054
Total Expenditures and Other Uses	116,965	51,965	25,053	26,912
Net Change in Fund Balance	44,335	(1,965)	27,001	28,966
Fund balance at beginning of year	93,802	93,802	93,802	-
Prior year encumbrances appropriated	1,965	1,965	1,965	-
Fund balance at end of year	<u>\$ 140,102</u>	<u>\$ 93,802</u>	<u>\$ 122,768</u>	<u>\$ 28,966</u>
Unclaimed Funds				
Fund balance at beginning of year	\$ 6,006	\$ 6,006	\$ 6,006	\$ -
Fund balance at end of year	<u>\$ 6,006</u>	<u>\$ 6,006</u>	<u>\$ 6,006</u>	<u>\$ -</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FUND DESCRIPTIONS

Nonmajor Capital Projects Fund

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition and construction of capital facilities and other capital assets. The nonmajor capital projects fund is:

Permanent Improvement

To account for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds. The permanent improvement fund is the District's only nonmajor capital projects fund, therefore a capital projects combining balance sheet and statement of revenues, expenditures, and changes in fund balance are not required.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Total Revenues and Other Sources	\$ 500,000	\$ 2,600,762	\$ 2,783,819	\$ 183,057
Total Expenditures and Other Uses	<u>568,000</u>	<u>2,268,000</u>	<u>2,081,954</u>	<u>186,046</u>
Net Change in Fund Balance	(68,000)	332,762	701,865	369,103
Fund balance at beginning of year	216,177	216,177	216,177	-
Prior year encumbrances appropriated	<u>68,000</u>	<u>68,000</u>	<u>68,000</u>	<u>-</u>
Fund balance at end of year	<u>\$ 216,177</u>	<u>\$ 616,939</u>	<u>\$ 986,042</u>	<u>\$ 369,103</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FUND DESCRIPTION

Permanent Fund

A fund category used to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the District or its students.

Teacher Grant

To account for monies received to be used to provide grants to teachers of the District. Only the interest earned may be used to provide grants to teachers. The principal investment must remain intact and cannot be spent. The teacher grant fund is the District's only permanent fund, therefore a permanent fund combining balance sheet and statement of revenues, expenditures, and changes in fund balance are not required.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Teacher Grant				
Total Revenues and Other Sources	\$ 189	\$ 189	\$ 52	\$ (137)
Total Expenditures and Other Uses	<u>5,655</u>	<u>5,655</u>	<u>-</u>	<u>5,655</u>
Net Change in Fund Balance	(5,466)	(5,466)	52	5,518
Fund balance at beginning of year	<u>12,877</u>	<u>12,877</u>	<u>12,877</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,411</u>	<u>\$ 7,411</u>	<u>\$ 12,929</u>	<u>\$ 5,518</u>

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STATISTICAL SECTION

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**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	138-151
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	152-157
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	158-161
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	162-163
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	164-174

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

	<u>2021</u>	<u>2020</u>	<u>2019 (3)</u>	<u>2018 (2)</u>
Governmental activities				
Net investment in capital assets	\$ (93,439)	\$ (484,418)	\$ (835,421)	\$ (1,661,308)
Restricted	31,438,830	30,678,684	29,476,814	28,848,602
Unrestricted (deficit)	(23,067,057)	(19,554,266)	(18,461,121)	(28,112,181)
Total governmental activities net position	<u>\$ 8,278,334</u>	<u>\$ 10,640,000</u>	<u>\$ 10,180,272</u>	<u>\$ (924,887)</u>

- (1) The District implemented GASB Statement No. 68 in 2015.
Amounts for 2014 have been restated to reflect the implementation of this statement.
- (2) The District implemented GASB Statement No. 75 in 2018.
Amounts for 2017 have been restated to reflect the implementation of this statement.
- (3) The District implemented GASB Statement No. 84 in 2020.
Amounts for 2019 have been restated to reflect the implementation of this statement.

Source: School District financial records.

2017 (2)	2016	2015 (1)	2014 (1)	2013	2012
\$ (3,267,779)	\$ (2,104,264)	\$ (1,985,698)	\$ (1,459,939)	\$ (3,246,698)	\$ (3,312,870)
29,857,426	3,308,836	2,745,402	2,997,314	2,890,844	3,002,788
(52,816,731)	(43,539,438)	(49,602,801)	(53,963,251)	358,082	764,011
<u>\$ (26,227,084)</u>	<u>\$ (42,334,866)</u>	<u>\$ (48,843,097)</u>	<u>\$ (52,425,876)</u>	<u>\$ 2,228</u>	<u>\$ 453,929</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 22,401,703	\$ 19,862,935	\$ 15,222,134	\$ 8,044,802
Special	11,898,072	11,709,404	9,202,557	6,059,993
Vocational	318,832	287,459	243,443	87,909
Other	3,678,047	3,507,565	3,456,282	3,520,583
Support services:				
Pupil	5,058,887	4,043,757	2,878,782	1,440,767
Instructional staff	1,388,407	1,300,971	823,683	480,154
Board of education	83,013	107,446	70,115	89,841
Administration	3,762,031	3,390,578	2,749,916	1,599,420
Fiscal	1,150,606	918,855	860,323	506,910
Business	711,371	542,361	251,111	130,093
Operations and maintenance	4,938,741	4,321,706	4,272,798	2,924,369
Pupil transportation	3,561,006	3,142,630	2,652,859	1,596,271
Central	1,018,636	663,119	614,500	492,083
Operation of non-instructional services:				
Food service operations	1,753,584	2,148,206	2,128,425	1,514,863
Other non-instructional services	121,694	42,993	62,237	81,865
Extracurricular activities	1,423,567	1,195,071	841,424	491,917
Interest and fiscal charges	3,016,381	1,532,154	1,520,615	1,784,782
Total governmental activities expenses	<u>66,284,578</u>	<u>58,717,210</u>	<u>47,851,204</u>	<u>30,846,622</u>

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 17,019,438	\$ 15,955,675	\$ 15,686,540	\$ 16,956,807	\$ 18,303,069	\$ 18,664,716
9,617,254	9,218,968	8,847,298	8,856,853	7,220,416	7,412,089
-	-	-	-	-	-
3,873,420	3,607,359	3,482,117	3,135,954	3,260,717	2,743,893
2,771,003	2,593,028	2,562,651	2,680,853	2,621,214	2,681,951
925,489	1,077,018	870,299	622,123	2,114,751	2,176,997
74,347	116,771	70,502	61,264	48,278	50,486
3,289,477	3,005,776	2,970,160	2,902,535	3,105,266	3,257,389
880,459	807,496	805,235	712,071	763,665	837,236
287,639	269,419	320,615	300,181	263,279	245,617
3,493,445	3,614,206	3,503,186	3,427,869	3,565,573	3,788,308
2,751,908	2,694,958	2,677,487	2,467,642	2,643,613	2,812,606
503,744	559,402	466,167	429,785	381,502	443,363
1,978,748	1,806,473	1,744,725	1,779,522	2,005,027	1,836,826
145,327	47,917	68,725	-	-	-
842,724	841,833	702,610	715,775	668,171	816,457
806,351	247,685	837,070	957,730	899,871	885,831
<u>49,260,773</u>	<u>46,463,984</u>	<u>45,615,387</u>	<u>46,006,964</u>	<u>47,864,412</u>	<u>48,653,765</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 342,386	\$ 409,110	\$ 367,679	\$ 698,863
Special	228,955	147,289	82,640	2,634
Other	-	-	-	-
Support services:				
Administration	132,876	58,931	89,961	98,364
Operations and maintenance	27,690	3,898	2,385	6,761
Pupil transportation	437	1,192	4,163	4,761
Operation of non-instructional services:				
Food service operations	35,608	182,552	230,415	288,182
Other non-instructional services	599	2,447	-	-
Extracurricular activities	177,517	398,819	249,257	261,856
Operating grants and contributions:				
Instruction:				
Regular	1,218,963	411,654	96,577	202,827
Special	4,868,615	5,916,803	5,184,827	5,361,456
Vocational	200,292	205,049	200,292	200,292
Other instructional	-	60,549	-	-
Support services:				
Pupil	1,363,031	1,051,304	92,295	30,165
Instructional staff	161,898	271,545	104,520	131,144
Board of education	-	1,855	-	-
Administration	133,356	246,912	127,187	137,788
Fiscal	7,200	24,443	-	-
Business	53,371	8,520	-	-
Operations and maintenance	58,006	63,449	13,508	36,872
Pupil transportation	150,503	194,753	106,250	149,803
Central	151,182	11,016	7,200	7,200
Operation of non-instructional services:				
Food service operations	974,485	1,811,228	1,678,948	1,732,495
Other non-instructional services	95,999	42,883	67,485	84,625
Extracurricular activities	67,458	33,124	10,585	28,966
Capital grants and contributions:				
Support services:				
Operations and maintenance	2,500,000	-	-	-
Extracurricular activities	141,887	113,200	-	-
Total governmental program revenues	<u>13,092,314</u>	<u>11,672,525</u>	<u>8,716,174</u>	<u>9,465,054</u>
Net (Expense)/Revenue				
Governmental activities	<u>(53,192,264)</u>	<u>(47,044,685)</u>	<u>(39,135,030)</u>	<u>(21,381,568)</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	228,454	\$ 413,522	\$ 322,161	\$ 402,811	\$ 551,704	\$ 384,714
	28,248	79,702	146,679	359,420	274,744	375,057
	-	-	-	-	22,777	-
	88,706	129,093	129,922	-	-	-
	8,612	17,675	35,280	18,113	5,202	7,077
	69,292	6,093	10,691	-	-	-
	286,530	303,061	393,289	401,977	468,729	542,574
	-	-	-	-	-	-
	245,049	244,571	233,692	253,013	263,103	285,301
	367,168	365,820	128,729	490,640	106,080	989,681
	5,294,166	4,686,948	4,563,755	3,790,852	3,340,700	3,094,099
	-	-	-	68,867	3,920	3,920
	202,061	109,557	9,015	70,174	6,922	29,270
	47,382	55,154	45,358	71,882	84,900	60,018
	136,420	320,919	139,632	254,055	522,242	189,499
	-	-	-	-	-	-
	147,666	180,708	110,968	145,544	119,719	94,447
	-	-	-	-	-	-
	-	-	-	-	-	-
	656	289	672	-	-	-
	121,366	133,248	116,547	124,641	138,474	125,016
	7,200	7,200	-	14,400	7,200	7,200
	1,782,895	1,665,339	1,381,740	1,360,130	1,446,085	1,471,177
	122,470	54,286	87,043	-	-	-
	25,028	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>9,209,369</u>	<u>8,773,185</u>	<u>7,855,173</u>	<u>7,826,519</u>	<u>7,362,501</u>	<u>7,659,050</u>
	<u>(40,051,404)</u>	<u>(37,690,799)</u>	<u>(37,760,214)</u>	<u>(38,180,445)</u>	<u>(40,501,911)</u>	<u>(40,994,715)</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

General Revenues and Other Changes in Net Position	2021	2020	2019	2018
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 18,060,231	\$ 17,001,252	\$ 17,431,311	\$ 16,924,108
Debt service	4,603,310	2,706,131	2,903,286	2,777,979
Capital outlay	722,013	-	-	-
Facilities maintenance	154,461	146,830	149,713	145,329
School district income taxes	4,925,852	4,415,664	4,542,234	4,472,395
Payment in lieu of taxes	443,507	454,209	286,812	130,542
Grants and entitlements not restricted to specific programs	21,778,237	21,302,276	22,539,837	21,805,494
Grants restricted for Ohio Schools Facilities Commission (OSFC)	-	-	-	-
Investment earnings	72,322	1,279,155	2,039,112	310,565
Miscellaneous	70,665	198,896	171,884	117,353
Unrestricted Contributions	-	-	-	-
Total governmental activities	<u>50,830,598</u>	<u>47,504,413</u>	<u>50,064,189</u>	<u>46,683,765</u>
Change in Net Position				
Governmental activities	<u>\$ (2,361,666)</u>	<u>\$ 459,728</u>	<u>\$ 10,929,159</u>	<u>\$ 25,302,197</u>

Source: School District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 17,798,353	\$ 16,449,350	\$ 16,177,779	\$ 17,896,482	\$ 16,086,746	\$ 16,496,227
2,320,201	1,178,862	1,235,511	1,339,235	1,539,121	1,501,030
-	-	-	-	-	-
98,769	-	-	-	-	-
3,877,917	3,814,525	3,710,712	2,336,769	3,520,676	3,478,808
247,036	138,837	245,927	211,926	187,737	219,187
21,242,409	22,146,093	19,260,745	19,033,850	18,167,061	19,057,334
23,452,778	-	-	-	-	-
79,534	153,159	43,645	26,303	16,119	40,119
105,367	318,204	668,674	978,653	532,750	341,867
-	-	-	1,000	-	-
<u>69,222,364</u>	<u>44,199,030</u>	<u>41,342,993</u>	<u>41,824,218</u>	<u>40,050,210</u>	<u>41,134,572</u>
<u>\$ 29,170,960</u>	<u>\$ 6,508,231</u>	<u>\$ 3,582,779</u>	<u>\$ 3,643,773</u>	<u>\$ (451,701)</u>	<u>\$ 139,857</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>
General Fund:				
Nonspendable	\$ 177,631	\$ 182,499	\$ 201,233	\$ 211,968
Committed	609,755	654,212	751,800	831,664
Assigned	6,829,376	2,729,067	1,573,301	3,050,601
Unassigned	<u>21,548,536</u>	<u>26,446,142</u>	<u>26,774,927</u>	<u>20,151,406</u>
Total general fund	<u>\$ 29,165,298</u>	<u>\$ 30,011,920</u>	<u>\$ 29,301,261</u>	<u>\$ 24,245,639</u>
All Other Governmental Funds:				
Nonspendable	\$ 37,536	\$ 45,538	\$ 35,467	\$ 28,877
Restricted	100,088,239	23,702,114	37,645,135	40,853,093
Unassigned (deficit)	<u>(98,455)</u>	<u>(273,151)</u>	<u>(427,011)</u>	<u>(403,406)</u>
Total all other governmental funds	<u>\$ 100,027,320</u>	<u>\$ 23,474,501</u>	<u>\$ 37,253,591</u>	<u>\$ 40,478,564</u>

(1) The District implemented GASB Statement No. 84 in 2020.
Amounts for 2019 have been restated to reflect the implementation of this statement.

Source: School District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 188,798	\$ 76,591	\$ 65,450	\$ -	\$ -	\$ -
555,248	397,710	185,057	425,454	606,767	484,204
1,299,607	639,995	750,359	3,837,998	282,913	340,274
<u>18,760,524</u>	<u>15,102,964</u>	<u>9,734,940</u>	<u>3,691,075</u>	<u>2,938,444</u>	<u>2,953,933</u>
<u>\$ 20,804,177</u>	<u>\$ 16,217,260</u>	<u>\$ 10,735,806</u>	<u>\$ 7,954,527</u>	<u>\$ 3,828,124</u>	<u>\$ 3,778,411</u>
\$ 34,952	\$ 22,273	\$ 41,708	\$ 32,222	\$ 49,581	\$ 146,404
40,309,261	2,942,251	2,666,926	2,638,934	2,692,509	2,775,769
<u>(364,267)</u>	<u>(92,458)</u>	<u>(7,963)</u>	<u>(30,790)</u>	<u>(57,978)</u>	<u>(20,321)</u>
<u>\$ 39,979,946</u>	<u>\$ 2,872,066</u>	<u>\$ 2,700,671</u>	<u>\$ 2,640,366</u>	<u>\$ 2,684,112</u>	<u>\$ 2,901,852</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

	<u>2020</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues				
From local sources:				
Taxes and payments in lieu of taxes	\$ 28,879,820	\$ 24,714,548	\$ 25,271,861	\$ 24,159,763
Tuition and fees	580,133	508,545	395,076	625,199
Transportation fees	-	1,192	4,163	4,761
Investment earnings	80,238	1,373,646	2,094,910	334,653
Charges for services	168,484	182,552	230,415	288,182
Extracurricular	169,761	391,818	241,545	273,588
Classroom materials and fees	-	57,302	62,955	67,494
Rental income, contributions and donations, contract services and other local revenues	2,836,014	1,221,867	284,116	300,762
Intergovernmental	36,863,038	-	-	-
Intergovernmental - state	-	31,310,292	29,386,256	26,850,237
Intergovernmental - federal	-	4,513,674	4,717,152	4,612,815
Total revenues	<u>69,577,488</u>	<u>64,275,436</u>	<u>62,688,449</u>	<u>57,517,454</u>
Expenditures				
Current:				
Instruction:				
Regular	20,253,353	18,475,338	17,248,585	16,758,125
Special	10,975,527	11,161,060	10,177,717	9,948,497
Vocational	285,801	273,192	264,615	152,400
Other	3,570,527	3,455,157	3,397,007	3,456,818
Support services:				
Pupil	4,631,431	3,807,491	3,292,556	2,883,192
Instructional staff	1,252,693	1,182,991	878,675	802,550
Board of education	79,879	105,668	70,307	93,211
Administration	3,417,986	3,182,633	3,127,528	3,250,153
Fiscal	1,052,592	881,878	912,520	774,684
Business	655,151	483,766	261,039	292,633
Operations and maintenance	4,623,898	4,050,569	4,895,214	3,814,502
Pupil transportation	3,000,670	2,965,509	2,948,145	2,756,187
Central	956,123	623,861	651,475	672,391
Operation of non-instructional services:				
Food service operations	1,627,767	2,045,223	2,211,869	1,998,896
Other non-instructional services	118,505	41,972	61,070	80,646
Extracurricular activities	1,306,886	1,121,749	974,257	878,282
Facilities acquisitions and construction	13,965,269	20,492,707	6,692,638	1,453,421
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	11,275,000	1,500,000	1,445,000	1,625,000
Interest and fiscal charges	2,026,810	1,493,103	1,523,583	1,885,786
Bond issue costs	873,027	-	-	-
Total expenditures	<u>85,948,895</u>	<u>77,343,867</u>	<u>61,033,800</u>	<u>53,577,374</u>
Excess (deficiency) of revenues over (under) expenditures	(16,371,407)	(13,068,431)	1,654,649	3,940,080

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	24,305,862	\$ 21,509,471	\$ 21,466,940	\$ 21,800,092	\$ 21,580,177	\$ 21,914,326
	190,044	423,310	338,215	584,288	657,697	554,165
	69,292	6,093	10,691	-	-	-
	16,071	151,562	37,050	26,303	16,106	76,402
	286,530	303,061	393,289	607,215	678,268	779,295
	250,533	244,858	238,698	238,659	246,366	257,069
	65,384	74,082	130,814	-	-	-
	238,183	473,799	861,319	757,367	480,576	148,828
	-	-	-	25,302,215	24,005,353	25,844,314
	25,176,339	25,065,885	22,044,571	-	-	-
	4,274,326	4,322,578	4,417,142	-	-	-
	<u>54,872,564</u>	<u>52,574,699</u>	<u>49,938,729</u>	<u>49,316,139</u>	<u>47,664,543</u>	<u>49,574,399</u>
	16,022,716	15,711,696	15,844,229	15,857,053	17,321,992	17,560,156
	9,286,417	9,165,076	9,014,752	8,610,982	7,343,730	7,420,265
	-	-	-	-	-	-
	3,797,579	3,532,290	3,404,590	3,135,954	3,260,994	2,800,224
	2,612,482	2,542,048	2,645,451	2,621,854	2,591,899	2,692,210
	751,600	930,442	768,985	639,021	2,118,418	2,203,056
	71,721	114,626	70,195	61,264	48,278	50,486
	3,099,508	3,048,820	3,035,798	2,954,760	3,007,761	3,159,795
	869,002	788,014	775,899	714,947	759,968	835,058
	272,428	265,469	282,733	286,021	260,435	248,336
	3,431,656	3,628,548	3,545,756	3,436,007	3,575,773	3,808,200
	2,719,125	2,739,508	3,250,579	2,406,320	2,875,254	2,685,669
	464,806	550,922	460,715	427,573	380,980	422,131
	1,881,104	1,779,943	1,691,288	1,770,807	1,943,853	1,950,801
	142,188	47,140	102,962	-	-	-
	770,832	784,418	736,969	660,535	716,804	741,756
	92,478	-	-	-	-	-
	-	-	-	-	-	11,548
	10,995,000	1,000,000	830,000	238,976	965,000	935,000
	369,238	292,890	636,244	1,421,408	664,831	704,202
	443,074	-	178,693	-	-	-
	<u>58,092,954</u>	<u>46,921,850</u>	<u>47,275,838</u>	<u>45,243,482</u>	<u>47,835,970</u>	<u>48,228,893</u>
	(3,220,390)	5,652,849	2,662,891	4,072,657	(171,427)	1,345,506

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Other Financing Sources (Uses)				
Transfers in	\$ 575,000	\$ 500,000	\$ 535,262	\$ 500,000
Transfers (out)	(575,000)	(500,000)	(535,262)	(500,000)
Sale of capital assets	-	-	-	-
Issuance of bonds	75,230,000	-	-	-
Issuance of notes	9,800,000	-	-	-
Refunding bond issued	-	-	-	-
Premium on bonds and notes issued	7,047,604	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>92,077,604</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 75,706,197</u>	<u>\$ (13,068,431)</u>	<u>\$ 1,654,649</u>	<u>\$ 3,940,080</u>
Debt service principal and interest as a percentage of noncapital expenditures	18.50%	5.30%	5.56%	6.80%

Source: School District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 28,533,319	\$ -	\$ -	\$ 10,107	\$ -	\$ 196,573
(28,533,319)	-	-	(10,107)	-	(196,573)
-	-	-	10,000	3,400	-
33,736,391	-	-	-	-	-
9,900,000	-	-	-	-	-
-	-	12,169,940	-	-	-
1,278,796	-	745,386	-	-	-
-	-	(12,736,633)	-	-	-
<u>44,915,187</u>	<u>-</u>	<u>178,693</u>	<u>10,000</u>	<u>3,400</u>	<u>-</u>
<u>\$ 41,694,797</u>	<u>\$ 5,652,849</u>	<u>\$ 2,841,584</u>	<u>\$ 4,082,657</u>	<u>\$ (168,027)</u>	<u>\$ 1,345,506</u>
19.74%	2.78%	3.16%	3.67%	3.43%	3.42%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property (a)		Public Utility (b)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2021	\$ 693,627,290	\$ 1,981,792,257	\$ 27,403,840	\$ 78,296,686
2020	603,325,130	1,723,786,086	26,574,570	75,927,343
2019	597,127,420	1,706,078,343	24,315,590	69,473,114
2018	588,803,760	1,682,296,457	22,696,900	64,848,286
2017	579,361,190	1,655,317,686	21,287,390	60,821,114
2016	577,102,760	1,648,865,029	19,875,960	56,788,457
2015	576,450,780	1,647,002,229	19,251,570	55,004,486
2014	595,676,590	1,701,933,114	18,519,470	52,912,771
2013	592,073,150	1,691,637,571	19,301,560	55,147,314
2012	589,326,510	1,683,790,029	15,737,050	44,963,000

Source: Greene County Auditor's Office

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the State Tax Commissioner.

(b) Assumes public utilities are assessed at true value which is 35%.

		Total		
Total Direct Tax Rate	Assessed Value	Estimated Actual Value	%	
\$ 59.09	721,031,130	2,060,088,943	35.00%	
54.54	629,899,700	1,799,713,429	35.00%	
55.05	621,443,010	1,775,551,457	35.00%	
55.25	611,500,660	1,747,144,743	35.00%	
55.35	600,648,580	1,716,138,800	35.00%	
52.65	596,978,720	1,705,653,486	35.00%	
52.65	595,702,350	1,702,006,715	35.00%	
52.50	614,196,060	1,754,845,885	35.00%	
52.50	611,374,710	1,746,784,885	35.00%	
52.65	605,063,560	1,728,753,029	35.00%	

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS**

Tax Year/ Collection Year	Overlapping Rates		Direct Rates				Greene County Joint Vocational School
	County	Township	Voted			Total	
			General	Bond	Permanent Improvement		
2020/2021	14.45	12.10	48.81	8.20	2.08	59.09	4.32
2019/2020	14.45	12.10	49.74	4.55	0.25	54.54	3.45
2018/2019	14.45	12.10	49.85	4.95	0.25	55.05	4.48
2017/2018	13.95	12.10	50.10	4.90	0.25	55.25	3.45
2016/2017	14.45	12.10	50.20	4.90	0.25	55.35	3.45
2015/2016	14.45	9.90	50.35	2.30	-	52.65	3.45
2014/2015	12.65	9.90	50.25	2.40	-	52.65	3.45
2013/2014	12.25	9.90	50.10	2.40	-	52.50	3.45
2012/2013	12.25	9.90	50.10	2.40	-	52.50	3.45
2011/2012	12.25	9.90	50.20	2.45	-	52.65	3.45

Source: Greene County Auditor's Office

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

December 31, 2020			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Dayton Power & Light Electric	\$ 16,387,020	1	2.27%
REOF Fairborn One LLC	7,799,500	2	1.08%
Vectren Energ Delivery of Ohio Gas	7,387,420	3	1.02%
Charter Woods LLC	6,424,780	4	0.89%
NL Core Avalon Place LLC	5,511,440	7	0.76%
Group Housing LLC	4,486,840	5	0.62%
Brinley Place LLC	4,088,310	6	0.57%
2377 Commerce Center BLVD LLC	3,710,040	8	0.51%
Woods Development LLC	3,554,680	9	0.49%
Fairfield Oakes LLC	3,370,190	10	0.47%
 Total	\$ 62,720,220		\$ 721,031,130

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Charter Woods LLC	\$ 6,547,140	1	1.08%
Cemex INC	6,397,280	2	1.06%
Group Housing LLC	4,435,660	3	0.73%
MG - Mapleview LTD	4,221,630	4	0.70%
2377 Commerce Center BLVD LLC	3,617,500	5	0.60%
Woods Development LLC	3,582,360	6	0.59%
Highlands Apartments	3,411,600	7	0.56%
Miami Valley Publishing	3,290,870	8	0.54%
Campus Village Wright State LLC	3,265,050	9	0.54%
NATDayton LLC	3,254,990	10	0.54%
 Total	\$ 42,024,080		\$ 605,063,560

Source: Greene County Auditor's Office

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2020/2021	\$ 23,479,079	\$ 1,284,486	24,763,565	\$ 22,776,247	97.01%
2019/2020	18,350,732	952,347	19,303,079	17,832,208	97.17%
2018/2019	18,987,298	1,224,979	20,212,277	18,431,482	97.07%
2017/2018	18,708,140	1,279,663	19,987,803	18,055,695	96.51%
2016/2017	18,442,430	1,412,101	19,854,531	17,753,176	96.26%
2015/2016	16,805,433	1,258,551	18,063,984	16,009,308	95.26%
2014/2015	16,742,577	1,188,351	17,930,928	15,898,713	94.96%
2013/2014	16,700,500	1,063,650	17,764,150	15,927,467	95.37%
2012/2013	16,576,845	1,381,248	17,958,093	15,908,438	95.97%
2011/2012	16,369,589	1,584,755	17,954,344	15,555,307	95.03%

Note: "Delinquent Levy" indicates the portion collected that was delinquent.

Source: Greene County Auditor's Office

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
\$ 687,302	23,463,549	94.75%
500,985	18,333,193	94.98%
676,621	19,108,103	94.54%
754,309	18,810,004	94.11%
866,245	18,619,421	93.78%
800,051	16,809,359	93.05%
663,182	16,561,895	92.36%
598,192	16,525,659	93.03%
900,949	16,809,387	93.60%
881,752	16,437,059	91.55%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		(a) Total Primary Government	(b) Per Capita	(b) Per ADM	(b) Percentage Personal Income
	General Obligation Bonds	Energy Conservation Improvement Notes				
2021	\$ 122,912,806	\$ -	\$ 122,912,806	3,562	29,675	13.15%
2020	42,072,011	-	42,072,011	1,242	10,167	4.66%
2019	43,505,484	-	43,505,484	1,010	10,006	4.31%
2018	44,925,146	-	44,925,146	1,043	10,366	4.45%
2017	46,594,653	-	46,594,653	1,082	10,851	4.61%
2016	12,735,066	-	12,735,066	296	2,951	1.26%
2015	13,750,326	-	13,750,326	319	3,136	1.36%
2014	14,677,900	-	14,677,900	448	3,290	2.20%
2013	15,251,473	180,000	15,431,473	471	3,370	2.31%
2012	15,767,687	350,000	16,117,687	492	3,433	2.41%

Source: School District financial records

(a) See notes to the financial statements regarding the District's outstanding debt information. Includes unamortized premiums and accreted interest on capital appreciation bonds.

(b) See schedule " Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds (1)	Net Position Restricted for Debt Service (2)	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2021	\$ 122,912,806	\$ -	\$ 122,912,806	5.97%	\$ 3,562
2020	42,072,011	(1,025,926)	41,046,085	2.28%	1,212
2019	43,505,484	(1,344,462)	42,161,022	2.37%	979
2018	44,925,146	(2,789,001)	42,136,145	2.41%	978
2017	46,594,653	(2,087,351)	44,507,302	2.59%	1,033
2016	12,735,066	(1,145,857)	11,589,209	0.68%	269
2015	13,750,326	(1,061,310)	12,689,016	0.75%	295
2014	14,677,900	(1,071,973)	13,605,927	0.78%	415
2013	15,251,473	(1,260,278)	13,991,195	0.80%	427
2012	15,767,687	(1,124,655)	14,643,032	0.85%	447

(1) Details regarding the District's outstanding debt can be found in the notes to the financial statements. Total includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) Amounts and calculations have been updated for 2018-2010 to reflect the net position restricted for debt service.

Source: School District financial records

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021

<u>Governmental Unit</u>	<u>Net General Tax Supported Debt</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Fairborn City School District	\$ 122,912,806	100.00%	\$ 122,912,806
Overlapping debt:			
Clark County	16,061,000	0.03%	4,818
Greene County	19,181,421	14.30%	2,742,943
Dayton City	34,535,000	1.58%	545,653
Fairborn City	2,686,760	91.24%	2,451,400
Riverside City	1,405,000	8.36%	117,458
Greene County Career Center	50,575,000	15.15%	7,662,113
Dayton Metro Library District	130,309,986	0.58%	755,798
Total overlapping debt	<u>254,754,167</u>		<u>14,280,183</u>
 Total direct and overlapping debt	 <u>\$ 377,666,973</u>		 <u>\$ 137,192,989</u>

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the subdivision's boundaries and dividing it by the District's total taxable assessed value. Net general tax supported debt includes accreted interest on capital appreciation bonds and unamortized bond premiums, but excludes unamortized deferred losses on refundings.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit (1)	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin (2)	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2021	\$ 64,892,802	\$ 113,831,331	\$ 6,778,459	\$ 107,052,872	\$ (42,160,070)	164.97%
2020	56,690,973	40,076,331	1,712,182	38,364,149	18,326,824	67.67%
2019	55,929,871	41,576,331	1,344,462	40,231,869	15,698,002	71.93%
2018	55,035,059	43,021,331	1,645,987	41,375,344	13,659,715	75.18%
2017	54,058,372	44,646,331	2,169,463	42,476,868	11,581,504	78.58%
2016	53,728,085	12,004,940	1,124,558	10,880,382	42,847,703	20.25%
2015	53,613,212	13,004,940	1,043,630	11,961,310	41,651,902	22.31%
2014	55,277,645	13,046,011	1,083,288	11,962,723	43,314,922	21.64%
2013	55,023,724	13,104,987	1,219,326	11,885,661	43,138,063	21.60%
2012	54,455,720	13,899,987	1,117,397	12,782,590	41,673,130	23.47%

Source: Greene County Auditor and School District financial records

(1) Total debt applicable to limit excludes unamortized premiums and accreted interest on capital appreciation bonds.

(2) The District was declared a "special needs" district by the State Department of Education in fiscal year 2021 to improve the District's facilities to better meet the needs of students.

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt. House Bill 530 became effective on March 30, 2006, which excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Personal Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rates (3)</u>		
						<u>Greene County</u>	<u>Ohio</u>	<u>United States</u>
2021	34,510	\$ 27,085	\$ 934,703,350	33.7	4,142	4.3%	5.4%	5.2%
2020	33,876	26,659	903,100,284	33.7	4,138	4.1%	5.6%	6.6%
2019	43,066	23,450	1,009,897,700	33.8	4,348	4.0%	4.0%	3.7%
2018	43,066	23,450	1,009,897,700	33.8	4,334	3.7%	4.6%	3.7%
2017	43,066	23,450	1,009,897,700	33.8	4,294	3.9%	5.0%	4.4%
2016	43,066	23,450	1,009,897,700	33.8	4,316	4.3%	4.9%	4.9%
2015	43,066	23,450	1,009,897,700	33.8	4,385	4.4%	4.9%	5.3%
2014	32,770	20,396	668,376,920	32.4	4,462	5.2%	5.8%	6.2%
2013	32,770	20,396	668,376,920	32.4	4,579	7.0%	7.5%	7.4%
2012	32,770	20,396	668,376,920	32.4	4,695	6.9%	7.4%	8.1%

(1) U. S. Census Bureau information for the City of Fairborn
2015-2019 information reflects estimates from Census Bureau.
2011-2014 information from 2010 Census.
2008-2010 information from 2005 Census.

(2) School District records.

(3) ODJFS, Bureau of Labor Market Information

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Nature of Business	December 31, 2020		
		Employees	Rank	Percentage of Total City Employment
Wright Patterson Air Force Base	Governmental/Military	30,000	1	35.56%
Wright State University	Education	2,100	2	2.49%
Greene County	Governmental	1,140	3	1.35%
Unison Industries	Manufacturing	800	4	0.95%
Fairborn City School District	Education	750	5	0.89%
Beavercreek City School District	Education	665	6	0.79%
Greene Memorial Hospital	Health Care	630	7	0.75%
Cedarville University	Education	620	8	0.73%
Xenia Community Schools	Education	590	9	0.70%
Air Force Institute of Technology	Education	490	10	0.58%
Total		<u>37,785</u>		<u>44.79%</u>
Total Employment within the County		<u>84,355</u>		

Employer	Nature of Business	December 31, 2011		
		Employees	Rank	Percentage of Total City Employment
Wright Patterson Air Force Base	Government/Military	27,400	1	33.95%
Wright State University	Education	3,150	2	3.90%
Beavercreek City School District	Education	1,387	3	1.72%
Teleperformance USA Inc.	Communications	1,098	4	1.36%
Greene County	Governmental	996	5	1.23%
Kroger Stores	Grocery	774	6	0.96%
Unison Industries	Manufacturing	772	7	0.96%
Greene Memorial Hospital	Healthcare	595	8	0.74%
Cedarville University	Education	636	9	0.79%
Fairborn City Schools	Education	564	10	0.70%
Total		<u>37,372</u>		<u>46.31%</u>
Total Employment within the County		<u>80,699</u>		

Source: Greene County Auditor

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION
LAST TEN FISCAL YEARS

<u>Type</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Official - administrative	26.0	25.0	28.5	28.0
Professional - educational	305.0	269.0	274.3	284.3
Professional - other	18.0	29.0	20.3	22.4
Technical	23.0	23.0	24.0	22.0
Office - clerical	32.0	33.5	33.5	35.5
Craft & trade	5.0	7.0	7.0	8.0
Operative	59.0	64.0	66.0	70.0
Service worker/laborer	130.0	159.5	156.5	173.5
Total	<u>598.0</u>	<u>610.0</u>	<u>610.1</u>	<u>643.7</u>

<u>Function</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Instruction:				
Regular	253.0	217.0	191.4	201.5
Special	52.0	52.0	53.8	54.2
Vocational	2.0	2.0	1.9	1.9
Other	16.0	27.0	29.2	26.6
Support Services:				
Pupil	0.0	0.0	0.0	0.0
Administration	26.0	25.0	28.5	28.0
Fiscal	3.0	3.0	3.0	3.0
Operations and maintenance	100.0	113.0	125.5	139.5
Pupil transportation	59.0	64.0	66.0	70.0
Other non-instructional services:				
Food service operations	35.0	35.0	36.0	41.0
Other non-instructional	52.0	72.0	74.8	77.9
Total Governmental Activities	<u>598.0</u>	<u>610.0</u>	<u>610.1</u>	<u>643.6</u>

Source: School District records

2017	2016	2015	2014	2013	2012
25.0	24.0	23.0	24.0	26.3	23.9
280.3	279.0	255.5	277.7	285.4	302.8
22.1	22.6	20.3	19.3	20.1	19.1
59.0	44.0	33.0	35.0	4.0	4.0
63.5	55.6	38.8	64.0	97.8	86.8
10.0	8.0	9.0	9.0	8.0	8.0
63.5	55.7	52.4	35.9	51.0	49.0
78.0	69.0	57.2	49.3	56.9	58.9
601.4	557.9	489.2	514.2	549.5	552.5

2017	2016	2015	2014	2013	2012
195.0	188.0	182.0	199.6	198.1	207.6
57.0	55.0	54.0	55.1	56.7	65.6
2.0	2.0	2.0	2.0	1.7	1.7
26.3	34.0	17.5	21.0	28.9	27.9
5.0	5.0	4.0	5.0	31.0	31.0
25.0	24.0	23.0	24.0	26.3	23.9
3.0	3.0	3.0	3.0	3.0	3.0
49.0	38.0	35.2	35.5	35.5	40.5
63.5	55.7	52.4	35.9	51.0	49.0
38.0	38.0	29.9	21.8	28.4	25.4
137.6	115.2	86.0	111.3	88.9	76.9
601.4	557.9	489.0	514.2	549.5	552.5

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2021	2020	2019	2018
Instruction:				
Regular and Special				
Enrollment (students)	4,142	4,138	4,348	4,334
Graduates	246	231	249	229
Support services:				
Board of education				
Regular meetings per year	12	12	12	12
Special meetings per year	10	10	2	5
Administration				
Student attendance rate	90.29%	94.40%	92.78%	93.20%
Fiscal				
Nonpayroll checks issued	2,045	2,806	2,879	2,842
Operations and maintenance				
Square footage maintained	649,237	649,237	649,237	649,237
Pupil transportation				
Avg. students transported daily	*710	2,608	2,507	1,122
Food service operations				
Lunches served to students	*193,874	376,807	459,918	443,265

(N/A) Information not available

*Part of the year, students were working from home and not in the buildings.

Source: School District records

2017	2016	2015	2014	2013	2012
4,294 222	4,316 227	4,385 246	4,462 234	4,579 248	4,695 290
12 7	12 19	16 11	15 9	14 13	16 2
95.00%	95.00%	95.20%	94.50%	94.80%	94.80%
2,690	3,059	3,006	2,722	2,899	3,263
649,237	649,237	649,237	649,237	649,237	649,237
389	N/A	N/A	N/A	N/A	N/A
471,240	459,162	408,362	395,560	N/A	N/A

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Land	\$ 2,787,251	\$ 299,675	\$ 299,675	\$ 299,675
Land improvements	528,785	779,694	1,071,407	1,203,168
Buildings and improvements	25,424,863	2,223,743	2,716,007	3,303,178
Furniture, equipment, and vehicles	2,838,865	3,374,436	3,701,281	3,595,207
Construction in progress	<u>15,493,789</u>	<u>28,711,244</u>	<u>8,238,537</u>	<u>1,545,899</u>
 Total Governmental Activities Capital Assets, net	 <u>\$ 47,073,553</u>	 <u>\$ 35,388,792</u>	 <u>\$ 16,026,907</u>	 <u>\$ 9,947,127</u>

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 299,675	\$ 299,675	\$ 299,675	\$ 299,675	\$ 299,675	\$ 299,675
1,507,096	1,803,777	2,163,409	2,341,670	2,684,038	3,026,406
3,897,649	4,505,577	5,120,822	6,234,180	6,934,357	7,649,354
3,744,690	3,965,476	4,180,722	897,970	1,171,981	1,088,570
92,478	-	-	-	-	-
<u>\$ 9,541,588</u>	<u>\$ 10,574,505</u>	<u>\$ 11,764,628</u>	<u>\$ 9,773,495</u>	<u>\$ 11,090,051</u>	<u>\$ 12,064,005</u>

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Black Lane Elementary (1966)				
Square feet	24,245	24,245	24,245	24,245
Capacity (students)	275	275	275	275
Percentage of capacity in use	0.00%	0.00%	0.00%	0.00%
Fairborn High School (1969)				
Square feet	174,577	174,577	174,577	174,577
Capacity (students)	1,100	1,100	1,100	1,100
Enrollment	1,048	997	1,122	1,031
Percentage of capacity in use	95.27%	90.64%	102.00%	93.73%
Baker Middle School (1952)				
Square feet	165,947	165,947	165,947	165,947
Capacity (students)	1,200	1,200	1,200	1,200
Enrollment	889	914	1,029	1,067
Percentage of capacity in use	74.08%	76.17%	85.75%	88.92%
Fairborn Intermediate (1954)				
Square feet	142,005	89,884	89,884	89,884
Capacity (students)	1,300	1,000	1,000	1,000
Enrollment	924	634	712	712
Percentage of capacity in use	71.08%	63.40%	71.20%	71.20%
Fairborn Primary School (2020)				
Square feet	131,759	142,005	142,005	142,005
Capacity (students)	1,324	1,300	1,300	1,300
Enrollment	1,281	1,593	1,485	1,524
Percentage of capacity in use	96.75%	122.54%	114.23%	117.23%
Wright Elementary (1965)				
Square feet	-	23,510	23,510	23,510
Capacity (students)	-	250	250	250
Percentage of capacity in use	0.00%	0.00%	0.00%	0.00%
Administration Building (1962)				
Square feet	8,973	8,973	8,973	8,973
Psychological Services (1960)				
Square feet	2,288	2,288	2,288	2,288
Psychological Services Garage (1960)				
Square feet	280	280	280	280
Transportation (1944)				
Square feet	13,668	13,668	13,668	13,668
Maintenance (1952)				
Square feet	3,860	3,860	3,860	3,860

Source: School District records

Note: Year of original construction is in parentheses

2017	2016	2015	2014	2013	2012
24,245	24,245	24,245	24,245	24,245	24,245
275	275	275	275	275	275
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
174,577	174,577	174,577	174,577	174,577	174,577
1,100	1,100	1,100	1,100	1,100	1,100
1,040	1,088	1,093	1,146	1,216	1,314
94.55%	98.91%	99.36%	104.18%	110.55%	119.45%
165,947	165,947	165,947	165,947	165,947	165,947
1,200	1,200	1,200	1,200	1,200	1,200
1,024	982	946	985	1,011	979
85.33%	81.83%	78.83%	82.08%	84.25%	81.58%
89,884	89,884	89,884	89,884	89,884	89,884
1,000	1,000	1,000	1,000	1,000	1,000
710	730	727	704	685	717
71.00%	73.00%	72.70%	70.40%	68.50%	71.70%
142,005	142,005	142,005	142,005	142,005	142,005
1,300	1,300	1,300	1,300	1,300	1,300
1,520	1,516	1,619	1,627	1,667	1,685
116.92%	116.62%	124.54%	125.15%	128.23%	129.62%
23,510	23,510	23,510	23,510	23,510	23,510
250	250	250	250	250	250
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8,973	8,973	8,973	8,973	8,973	8,973
2,288	2,288	2,288	2,288	2,288	2,288
280	280	280	280	280	280
13,668	13,668	13,668	13,668	13,668	13,668
3,860	3,860	3,860	3,860	3,860	3,860

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Funds		Governmental Activities		Enrollment	Percent Change
	Expenditures (2)	Cost per pupil	Expenses (2)	Cost per pupil		
2021	\$ 71,774,058	\$ 17,328	\$ 63,268,197	\$ 15,275	4,142	0.10 %
2020	74,350,764	17,968	57,185,056	13,819	4,138	(4.83) %
2019	74,350,764	17,100	57,185,056	13,152	4,348	0.32 %
2018	58,065,217	13,398	46,330,589	10,690	4,334	0.93 %
2017	50,066,588	11,660	29,061,840	6,768	4,294	(0.51) %
2016	46,285,642	10,724	48,454,422	11,227	4,316	(1.57) %
2015	45,628,960	10,406	46,216,299	10,540	4,385	(1.73) %
2014	45,630,901	10,227	44,778,317	10,035	4,462	(2.56) %
2013	43,583,098	9,518	45,049,234	9,838	4,579	(2.47) %
2012	46,206,139	9,842	46,964,541	10,003	4,695	(0.55) %

Source: School District financial records

(1) Information not currently available.

(2) Debt Service totals have been excluded.

Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
305	13.58	90.29%
269	15.38	94.40%
269	16.16	94.40%
274	15.80	92.78%
284	15.10	93.20%
280	15.40	95.00%
279	15.72	95.00%
431	10.35	95.20%
425	10.77	94.50%
426	11.02	94.80%

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

TEACHER STATISTICS
JUNE 30, 2021

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Pay Range</u>
Bachelor's Degree	146	47.87%	\$40,359 - \$81,929
Master's Degree	159	52.13%	\$43,992 - \$92,826
Educational Specialist	0	0.00%	\$44,839 - \$90,122
Ph.D.	0	0.00%	\$46,575 - \$90,970
	<u>305</u>	<u>100.00%</u>	

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	75	24.59%
6 - 10	70	22.95%
11 and over	160	52.46%
	<u>305</u>	<u>100.00%</u>

Source: School District Personnel Records

Note: The salary schedule contained in the current teachers' union collective bargaining agreement does not recognize degrees less than a bachelor's.

FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	2021	\$ 287,996
COVID-19 - School Breakfast Program	10.553	COVID-19, 2021	26,954
Total National School Breakfast Program			<u>314,950</u>
National School Lunch Program	10.555	2021	642,652
COVID-19 - National School Lunch Program	10.555	COVID-19, 2021	60,916
National School Lunch Program - Food Donation	10.555	2021	98,710
Total National School Lunch Program			<u>802,278</u>
Summer Food Service Program for Children	10.559	2021	31,544
COVID-19 - Summer Food Service Program for Children	10.559	COVID-19, 2021	23,951
Total Summer Food Service Program for Children			<u>55,495</u>
Total U.S. Department of Agriculture and Child Nutrition Cluster			<u>1,172,723</u>
U.S. DEPARTMENT OF DEFENSE			
<i>Direct Award</i>			
ROTC	12.000	N/A	52,535
Total U.S. Department of Defense			<u>52,535</u>
U.S. DEPARTMENT OF THE TREASURY			
<i>Passed Through the Ohio Department of Education</i>			
COVID-19 - Coronavirus Relief Fund - Broadband Ohio Connectivity	21.019	COVID-19, 2021	151,049
COVID-19 - Coronavirus Relief Fund - CRF-Urban School District	21.019	COVID-19, 2021	250,689
Total Coronavirus Relief Fund			<u>401,738</u>
Total U.S. Department of the Treasury			<u>401,738</u>
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	2020	194,930
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2021	1,085,145
Total Title I Grants to Local Educational Agencies			<u>1,280,075</u>
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	2020	164,279
Special Education Grants to States	84.027A	84.027A, 2021	831,996
Total Special Education Grants to States			<u>996,275</u>
Special Education Preschool Grants	84.173	2020	4,450
Special Education Preschool Grants	84.173A	84.173A, 2021	19,598
Special Education Preschool Grants - Restoration	84.173A	84.173A, 2021	8,504
Total Special Education Preschool Grants			<u>32,552</u>
Total Special Education Cluster (IDEA)			<u>1,028,827</u>
English Language Acquisition State Grants	84.365	2020	742
English Language Acquisition State Grants	84.365A	84.365A, 2021	14,717
Total English Language Acquisition State Grants			<u>15,459</u>
Supporting Effective Instruction State Grants	84.367	2020	21,721
Supporting Effective Instruction State Grants	84.367A	84.367A, 2021	107,826
Total Supporting Effective Instruction State Grant			<u>129,547</u>
Student Support and Academic Enrichment Program	84.424A	84.424A, 2020	3,880
Student Support and Academic Enrichment Program	84.424A	84.424A, 2021	80,295
Total Student Support and Academic Enrichment Program			<u>84,175</u>
COVID-19 - Elementary and Secondary School Emergency Relief Fund I	84.425D	COVID-19, 84.425D, 2021	1,103,558
<i>Direct Award</i>			
Impact Aid	84.041	2020	23,278
Impact Aid	84.041	2021	112,932
Total Impact Aid			<u>136,210</u>
Total U.S. Department of Education			<u>3,777,851</u>
INSTITUTE OF MUSEUM AND LIBRARY SERVICES			
<i>Passed Through the State Library of Ohio</i>			
COVID-19 - Library Services and Technology Act (LSTA) Program	45.310	COVID-19, CARES-VIII-190-21	3,000
Total Institute of Museum and Library Services			<u>3,000</u>
Total Federal Financial Assistance			<u>\$ 5,407,847</u>

The accompanying notes are an integral part of this schedule.

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Fairborn City School District under programs of the federal government for the fiscal year ended June 30, 2021 and is prepared in accordance with the cash basis of accounting. 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 Fairborn City School District, it is not intended to and does not present the financial position or changes in net position of the Fairborn City School District. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The Fairborn City School District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - CHILD NUTRITION CLUSTER

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

NOTE 4 – FOOD DONATION PROGRAM

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

**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***

Fairborn City School District
Greene County
306 East Whittier Avenue
Fairborn, Ohio 45324

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Fairborn City School District, Greene County, Ohio, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Fairborn City School District's basic financial statements, and have issued our report thereon dated December 17, 2021, wherein we noted as described Note 22 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Internal Control over Financial Reporting

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fairborn City 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 Fairborn City 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 Fairborn City School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
December 17, 2021

**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the
Uniform Guidance**

Fairborn City School District
Greene County
306 East Whittier Avenue
Fairborn, Ohio 45324

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Fairborn City School District's compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Fairborn City School District's major federal programs for the fiscal year ended June 30, 2021. The Fairborn City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Fairborn City School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Fairborn City School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the Fairborn City School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Fairborn City School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Fairborn City School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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 Fairborn City School District, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Fairborn City School District's basic financial statements. We issued our report thereon dated December 17, 2021, 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 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.



Julian & Grube, Inc.
December 17, 2021

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Title I Grants to Local Educational Agencies (ALN 84.010) COVID-19 - Education Stabilization Fund (ALN 84.425)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

**FAIRBORN CITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR § 200.511(b)
JUNE 30, 2021**

<u>Finding Number</u>	<u>Year Initially Occurred</u>	<u>Finding Summary</u>	<u>Status</u>	<u>Additional Information</u>
2020-001	2020	<u>Noncompliance</u> - Ohio Revised Code Section 5705.40 requires that any amendments to an appropriation measure must be made by Board resolution and comply with the same provisions of the law as used in developing the original appropriations. However, the District did not properly amend its appropriations for the Classroom Facilities Fund throughout the fiscal year.	Fully Corrected	N/A
2020-002	2020	<u>Noncompliance</u> - Ohio Revised Code Section 5705.41(B) requires in part that no subdivision is to expend monies unless it has been appropriated. The Classroom Facilities Fund had expenditures plus outstanding encumbrances in excess of appropriations at the legal level of control in the amount of \$13,102,256.	Fully Corrected	N/A

OHIO AUDITOR OF STATE KEITH FABER



FAIRBORN CITY SCHOOL DISTRICT

GREENE 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 2/8/2022

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

This report is a matter of public record and is available online at
www.ohioauditor.gov