



OHIO AUDITOR OF STATE  
**KEITH FABER**





**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY  
JUNE 30, 2023**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Prepared by Management:	
Schedule of Receipts and Expenditures of Federal Awards .....	1
Notes to the Schedule of Receipts and Expenditures of Federal Awards.....	2
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	5
Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	7
Schedule of Findings.....	11

Attachment: Annual Comprehensive Financial Report

**This page intentionally left blank.**

NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY  
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal AL Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b><u>U.S. Department of Agriculture</u></b>					
<i>Passed through Ohio Department of Education</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$ 48,426	\$ -	\$ 48,426	\$ -
National School Lunch Program	10.555	-	-	546,034	-
National School Lunch Program	10.555	372,532	86,293	372,532	86,293
COVID-19 Supply Chain Assistance	10.555	94,875	-	94,875	-
Total Child Nutrition Cluster		<u>515,833</u>	<u>86,293</u>	<u>1,061,867</u>	<u>86,293</u>
COVID-19 Pandemic EBT Administrative Costs	10.649	628	-	628	-
<b>Total U.S. Department of Agriculture</b>		<u>516,461</u>	<u>86,293</u>	<u>1,062,495</u>	<u>86,293</u>
<b><u>U.S. Department of Education</u></b>					
<i>Passed through Ohio Department of Education</i>					
Special Education Cluster:					
Grants to States (IDEA, Part B)	84.027A	1,164,819	-	1,206,884	-
ARP IDEA Part B Special Education	84.027X	48,868	-	106,029	-
Preschool Grants (IDEA Preschool)	84.173	15,741	-	15,741	-
ARP Early Childhood Special Education	84.173	14,086	-	14,086	-
Total Special Education Cluster		<u>1,243,514</u>	<u>-</u>	<u>1,342,740</u>	<u>-</u>
Title I, Part A - Grants to Local Educational Agencies:					
Improving Basic Programs	84.010A	288,528	-	367,633	-
Expanding Opportunities for Each Child	84.010A	4,884	-	5,437	-
Total Title I, Grants to Local Educational Agencies		<u>293,412</u>	<u>-</u>	<u>373,070</u>	<u>-</u>
Title II, Part A:					
Improving Teacher Quality	84.367A	43,137	-	57,184	-
Diversifying the Education Profession	84.367A	12,479	-	16,747	-
Total Title II, Part A		<u>55,616</u>	<u>-</u>	<u>73,931</u>	<u>-</u>
Title III - Language Instruction for English Learners	84.365	-	-	3,330	-
Title IV, Part A - Student Support & Academic Enrich.	84.424A	20,370	-	20,791	-
COVID-19 Elementary & Secondary School Emergency Relief (ESSER)					
ESSER State Activity Supplement	84.425U	193,850	-	194,190	-
ESSER II	84.425D	165,755	-	169,578	-
ARP - Elementary & Secondary School Emergency Relief	84.425U	251,441	-	361,189	-
Total COVID-19 Elementary & Secondary School Emergency Relief (ESSER)		<u>611,046</u>	<u>-</u>	<u>724,957</u>	<u>-</u>
<b>Total U.S. Department of Education</b>		<u>2,223,958</u>	<u>-</u>	<u>2,538,819</u>	<u>-</u>
<b><u>U.S. Department of Treasury</u></b>					
<i>Passed through Ohio Facilities Construction Commission</i>					
Ohio K-12 School Safety Coronavirus SFRF - II	21.027	203,263	-	203,263	-
Ohio K-12 School Safety Coronavirus SFRF- IV	21.027	396,736	-	20,400	-
<b>Total U.S. Department of Treasury</b>		<u>599,999</u>	<u>-</u>	<u>223,663</u>	<u>-</u>
<b><u>National Endowment for the Arts &amp; Humanities</u></b>					
<i>Passed through State Library of Ohio</i>					
COVID-19 LSTA CARES Act	45.310	-	-	6	-
<b>Total National Endowment for the Arts &amp; Humanities</b>		<u>-</u>	<u>-</u>	<u>6</u>	<u>-</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u>\$ 3,340,418</u>	<u>\$ 86,293</u>	<u>\$ 3,824,983</u>	<u>\$ 86,293</u>

The accompanying notes are an integral part of this schedule.

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED JUNE 30, 2023**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) includes the federal award activity of Nordonia Hills City School District] (the District) under programs of the federal government for the year ended June, 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE C – INDIRECT COST RATE**

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

**NOTE D - CHILD NUTRITION CLUSTER**

The School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the School District assumes it expends federal monies first. The District's Child Nutrition Cluster receipts exceeded expenditures by \$546,034 in fiscal year 2022, but is carried forward to the District's expenditures in the fiscal year 2023 Schedule.

**NOTE E – FOOD DONATION PROGRAM**

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

**NOTE F – ON BEHALF MONIES**

The School District reported monies received and expended on-behalf of the School District on the Schedule for the Preschool (CFDA # 84.173) of \$ 15,741 and ARP Early Childhood Special Education (CFDA # 84.173) of \$ 14,086 from the Summit Educational Service Center. Title III-Language Instruction for English Learners (CFDA #84.365) of \$ 3,330 were from the Northeast Ohio Educational Service Center. The School District reported the on-behalf activity to the respective program that benefitted from the two consortiums.

**NOTE G – TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2023 to 2024 programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies:		
Improving Basic Programs	84.010	\$ 1,654
Special Education - Grants to States	84.027	218,386
Title II, Part A:		
Improving Teacher Quality	84.367	13,843
Diversifying the Education Profession	84.367A	21,640
		<hr/>
		\$ 255,523

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



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

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

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Nordonia Hills City School District, Summit County (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 28, 2023.

### ***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 28, 2023

# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

### Report on Compliance for Each Major Federal Program

#### *Opinion on Each Major Federal Program*

We have audited Nordonia Hills City School District's, Summit County, (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Nordonia Hills City School District's major federal programs for the year ended June 30, 2023. Nordonia Hills City School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Nordonia Hills City School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

#### *Basis for Opinion on Each Major Federal Program*

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type

of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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 this 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, the major fund and the aggregate remaining fund information of Nordonia Hills City School District, Summit County, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 28, 2023. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of receipts and 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. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 28, 2023

**This page intentionally left blank.**

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2023**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	COVID-19 Elementary & Secondary School Emergency Relief (ESSER) – AL #84.425D & 84.425U Special Education Cluster – AL #84.027A, 84.027X, & 84.173
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	No

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

**This page intentionally left blank.**

Nordonia Hills City School District  
Northfield, Ohio



*“Inspiring every student to value learning, community and excellence.”*

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023



---

---

# Nordonia Hills City School District Northfield, Ohio

---

---

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023



---

---

Prepared by:  
Treasurer's Office  
Kyle Kiffer, Treasurer/CFO

---

---





# Introductory Section



**Nordonia Hills City School District**  
*Annual Comprehensive Financial Report*  
*For the Fiscal Year Ended June 30, 2023*  
*Table of Contents*

	<u>Page</u>
<b>I. Introductory Section</b>	
Table of Contents .....	i
Letter of Transmittal .....	iv
List of Principal Officials .....	xii
Organizational Chart .....	xiii
GFOA Certificate of Achievement .....	xiv
<b>II. Financial Section</b>	
Independent Auditor’s Report .....	1
Management’s Discussion and Analysis .....	5
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position .....	14
Statement of Activities .....	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	16
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities .....	17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual – General Fund .....	20
Notes to the Basic Financial Statements .....	21
Required Supplementary Information:	
Schedule of the School District’s Proportionate Share of the Net Pension Liability – School Employees Retirement System of Ohio – Last Ten Fiscal Years .....	64
Schedule of the School District’s Proportionate Share of the Net OPEB Liability – School Employees Retirement System of Ohio – Last Seven Fiscal Years.....	66
Schedule of the School District’s Proportionate Share of the Net Pension Liability – State Teachers Retirement System of Ohio – Last Ten Fiscal Years.....	68
Schedule of the School District’s Proportionate Share of the Net OPEB Liability (Asset) – State Teachers Retirement System of Ohio – Last Seven Fiscal Years .....	70
Schedule of School District Contributions – School Employees Retirement System of Ohio – Last Ten Fiscal Years .....	72

**Nordonia Hills City School District**  
*Annual Comprehensive Financial Report*  
*For the Fiscal Year Ended June 30, 2023*  
*Table of Contents (continued)*

	<u>Page</u>
Schedule of School District Contributions – State Teachers Retirement System of Ohio – Last Ten Fiscal Years .....	74
Notes to the Required Supplementary Information.....	76
<b>Combining and Individual Fund Statements and Schedules:</b>	
<b>Combining Statements – Nonmajor Governmental Funds:</b>	
Fund Descriptions.....	80
Combining Balance Sheet – Nonmajor Governmental Funds.....	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	83
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	88
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds .....	93
<b>Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual:</b>	
<b><i>Major Fund:</i></b>	
General Fund .....	95
<b><i>Nonmajor Funds:</i></b>	
Food Service Fund.....	98
Other Grants Fund .....	99
High School Bookstore Fund .....	100
Student Activities Fund.....	101
District Managed Activities Fund.....	102
Data Communication Fund.....	103
Miscellaneous State Grants Fund .....	104
Elementary and Secondary School Emergency Relief Fund .....	105
Title VI-B Fund .....	106
Limited English Proficiency Fund.....	107
Title I Fund. ....	108
Title IV-A Fund. ....	109
Preschool for Handicapped Fund.....	110
Reducing Class Size Fund .....	111
Miscellaneous Federal Grants Fund .....	112
Public School Support Fund .....	113
Bond Retirement Fund.....	114
Permanent Improvement Fund .....	115
Building Fund.....	116

**Nordonia Hills City School District**  
*Annual Comprehensive Financial Report*  
*For the Fiscal Year Ended June 30, 2023*  
*Table of Contents (continued)*

	<u>Page</u>
<b>III. Statistical Section</b>	
Table of Contents .....	S1
Net Position by Component – Last Ten Fiscal Years .....	S2
Changes in Net Position – Last Ten Fiscal Years .....	S4
Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	S8
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	S10
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years .....	S12
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years .....	S14
Property Tax Levies and Collections – Last Ten Years.....	S18
Principal Taxpayers – 2023 and 2014:	
Real Estate Tax.....	S19
Public Utilities Tax.....	S20
Computation of Direct and Overlapping Debt Attributable to Governmental Activities.....	S21
Ratio of Outstanding Debt to Estimated Actual Value, Personal Income, and Population – Last Ten Fiscal Years .....	S22
Computation of Legal Debt Margin – Last Ten Fiscal Years .....	S24
Demographic and Economic Statistics – Last Ten Years .....	S26
Principal Employers – June 30, 2023 and June 30, 2014.....	S27
Building Statistics by School Building/Facility – Last Ten Fiscal Years .....	S28
Enrollment Statistics – Last Ten Fiscal Years .....	S30
Attendance and Graduation Rates – Last Ten Fiscal Years .....	S31
Per Pupil Cost – Last Ten Fiscal Years.....	S32
School District Employees by Function/Program – Last Ten Fiscal Years .....	S34
Full-Time Equivalent Certified School District Employees by Education – Last Ten Fiscal Years .....	S36

December 28, 2023

Board of Education Members and  
Residents of Nordonia Hills City School District

It is our privilege to present to you the Annual Comprehensive Financial Report (ACFR) of the Nordonia Hills City School District (the “School District”) for the fiscal year ended June 30, 2023. This ACFR, which includes an opinion from the Auditor of the State of Ohio, enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), requiring districts to report on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 requiring districts to report on a GAAP basis and to file an unaudited annual report with the Auditor of State within 150 days of fiscal year-end.

Management assumes full responsibility for the completeness and reliability of the information contained in this ACFR, based upon a comprehensive framework of internal controls that it has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than an absolute assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

The report provides the taxpayers of the School District, bond rating agencies, and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the School District’s finances. This report is intended to meet the accountability requirements of the School District to the public.

Copies of this report will be on file in the central offices, as well as on the School District’s website, [www.nordoniaschools.org](http://www.nordoniaschools.org).

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

### **School District Organization**

Nordonia Hills City School District is one of 610 school districts in the State of Ohio and one of 17 school districts in Summit County. The School District is located in the northern tip of historical Summit County, Ohio. The School District serves the picturesque communities of Northfield Center, Northfield Village, Macedonia, Sagamore Hills and a portion of Boston Heights. Easy access to the area is provided by Interstates 80, 271 and 480 and State Routes 8 and 82. Major hospitals, Cleveland Hopkins International Airport and over twenty institutions of higher learning are within a thirty-minute drive. The School District’s communities are predominantly suburban-residential with a population exceeding 32,000. The socio-economic make-up ranges from middle to upper income.

Today the municipalities of Macedonia, Northfield Center, Northfield Village and Sagamore Hills occupy the boundaries of what was once known as “Olde Northfield Township” which was established in 1819. It was one of the early communities of the Connecticut Western Reserve known as Town 5, Range 11, and occupied approximately 28 square miles. A complete history of Olde Northfield Township was written by Bessie Goosman and published in 1973. Olde Northfield Township’s population grew to 1,076 where it remained through 1905 when several clusters of developments began to occur. In 1912, the eastern side of the township became the Village of Macedonia, and the Township was reorganized into a village. In 1932, the western

portion of the Olde Northfield Village separated and became Sagamore Hills Township. A few years later in 1935, the middle section located between Macedonia and Sagamore Hills became Northfield Center when another group of residents broke away from what is known today as Northfield Village.

The School District has its roots in a one-room log schoolhouse built in 1827. The first Macedonia school was established in 1833 and located on Valley View Road at the present site of the Pavilion Building. In 1881, identical schools known as the “Old Brick Schools” were built in Macedonia and Northfield. Centralization of schools began in 1908 and students were educated in a variety of locations in the communities until a complete consolidation occurred in 1948. Soon thereafter, the area began to grow in population and Lee Eaton Elementary, Ledgeview Elementary, Rushwood Elementary and Nordonia High School were constructed. The School District evolved into an all-time high student enrollment of 5,700 pupils in 1971, then declined to a low of 2,800 in 1991. Following this period of declining enrollment, the School District experienced a period of growth and now educates 3,287 pupils as of June 2023.

The School District educates the 3,287 pupils in six community schools: Ledgeview Elementary (K-4), Northfield Elementary (K-4), Rushwood Elementary (K-4), Lee Eaton Elementary (5-6), Nordonia Middle School (7-8), and Nordonia High School (9-12). Enrollment is projected to decrease over the next ten years which is in line with what many districts are projecting across Ohio and Northeast Ohio in particular.

The Board of Education (the “Board”) of the School District is comprised of five members elected at large by the citizens of the School District. The Board serves as the taxing authority, contracting body, and policy initiator for the operations of the School District. The Board is responsible for the adoption of the tax budget, the annual operating budget, and approves all expenditures of the School District. The Board is a separate and distinct unit of government and is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the Ohio Department of Education and Workforce. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. Dr. Joe Clark has served as Superintendent since November 2011 and departed the Nordonia Hills City School District on September 30<sup>th</sup>, 2023. The Board of Education appointed Mr. Casey Wright as the Superintendent of the School District. Mr. Wright has been with the School District for sixteen years. He has served as the High School Assistant Principal (2 years), High School Principal (13 years) and one year as the Director of Business Services. Mr. Wright also has eight years as an educator and administrator at another school district in Northeast Ohio.

The Treasurer is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds, investing idle funds as permitted by Ohio law and serving as Secretary to the Board. Mr. Matthew Brown was appointed as Treasurer of the School District on August 1, 2021. Mr. Brown departed Nordonia Hills on July 31<sup>st</sup>, 2023. The School District hired Mr. Kyle Kiffer as its new Treasurer effective August 1<sup>st</sup>, 2023. Mr. Kiffer has a total of fourteen years of experience. He has worked as a Treasurer/CFO (3 years), Assistant Treasurer (2 years) and an auditor with the Ohio Auditor of State’s Office (9 years).

## **Reporting Entity**

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," Statement No. 39, “Determining Whether Certain Organizations Are Component Units,” and Statement No. 61, “The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34.” In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the School District (the primary government) and its potential component units. The School District is not a component unit and has no component units.

The City of Macedonia, Sagamore Hills Township, Northfield Center, Northfield Village, Village of Boston Heights, Summit County Public Library, Parent Teacher Organization and the Nordonia Hills School Foundation have not been included in the accompanying financial statements. The boards are not appointed

by the School District, nor are the organizations fiscally dependent on the School District. However, the District has strong ties to these communities.

Northeast Ohio Network for Educational Technology (NEOnet), the Ohio Schools Council, the Cuyahoga Valley Career Center and the Stark County Schools Council of Governments are reported as jointly governed organizations and a risk-sharing pool. Statutorily, the School District operates under the standards prescribed by the Ohio Department of Education and Workforce as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and Federal agencies.

### **Economic Condition and Outlook**

The School District is located conveniently between the metropolitan cities of Akron and Cleveland, providing a wealth of opportunity for cultural, social, and economic resources for its residents. Three major State universities, The University of Akron, Cleveland State University, and Kent State University, are within desirable traveling distance of the community.

The Nordonia Hills communities offer an excellent opportunity for business growth and expansion. It is a healthy, stable environment. The City of Macedonia actively stimulates the economy through a diverse group of employers ranging from small family-operated businesses to major commercial/industrial corporations.

As of June 2023, Ohio's unemployment rate was 3.4 percent, the nation's unemployment rate was 3.6 percent, and the unemployment rate for Summit County was 3.6 percent. Specific unemployment figures for the communities within the Nordonia Hills City School District are not available (Source: Ohio Job and Family Services, Bureau of Labor Statistics, United State Department of Labor).

On a budgetary basis, the School District receives approximately 72 percent of its total operating revenues from local property tax collections. Therefore, the long-term financial health of the School District is very dependent on its tax base. Tax rates are certified by the Summit County Fiscal Office and approved by the Board.

### **Employee Relations**

The School District currently has approximately 500 full-time equivalent employees. Two labor organizations represent School District employees. Certificated employees, including teachers and educational specialists, are represented for collective bargaining purposes by the Nordonia Hills Education Association (NHEA). Support employees, including cooks, custodians, maintenance, educational aides and clerical staff, are represented for collective bargaining purposes by the Ohio Association of Public School Employees Local 246 (OAPSE).

### **Services Provided**

The School District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or Board directives. During fiscal year 2023, the School District was back to operating in a regular in-person learning environment, however hybrid learning did continue through the School District's Digital Knights Academy. Based on data when we were regular in-person, our fleet of 31 contracted buses traveled 3,280 miles each day providing transportation services to 1,804 public and 303 private and parochial students. The School District contracts with Petermann for pupil transportation services.

Due to the federal government's continuation of its universal free lunch program, all students were eligible to receive a school lunch free of charge in both the 20-21 school year and the 21-22 school year. During the federal lunch 21-22 school year the Nutrition Services Department served an average of 1,900 meals daily for a total of 328,703 meals annually. This program was not offered during the 22-23 school year by the federal government. Through the School District's lunchrooms, the average of meals served daily was 1,319 and the total for the 22-23 school year was 220,240.

In addition to transportation and school lunch support services offered to children in the School District, guidance, special education and health services are available free of charge. Guidance services support the school environment and are designed to help students achieve a well-adjusted social life. Special education services, including school psychology services, are provided to all Federal disability categories ranging from preschool-age students through high school. The School District provides medical support staff through Akron Children’s Hospital who are committed to meeting the daily health care needs of all students, as well as the long-term needs of children with chronic illnesses.

At the center of the School District’s services are the instructional programs. The School District offers regular instructional programs daily to students in pre-school to grade twelve. The School District served approximately 501 identified students who need specially designed programs. These students received services through a wide array of special education programs offered in the School District.

## **Educational Programs**

Academically, the School District is performing better than ever in its history. The Ohio Department of Education and Workforce released the 2022-2023 Local Report Cards in September. The state report cards are transitioning from an A-F rating system to a 1-5 Star rating system. While overall district ratings are not published this year, they are still calculated for federal school improvement identification. Under the new rating system, the Nardon Hills City School District earned an overall 5-star rating—the highest possible rating from the Ohio Department of Education and Workforce. This puts Nardon in the top 5 percent of school districts in the State of Ohio. We are incredibly proud of our staff and students for their hard work and grateful for the supportive families who encourage and guide their kids.

The Class of 2023 had 73 students awarded the Ohio Diploma with Honors, 112 graduated with distinction (3.75 GPA), 54 graduated with merit (3.35 GPA), and 32 students received the Superintendent Award by being in the top ten percent of the graduating class. At the Superintendent Awards, one additional student was awarded the inaugural Portrait of a Knight Award.

For the 2023 Advanced Placement classes taught at Nardon, 272 students took 473 exams to successfully complete their program. There were 46 AP scholars, with five students receiving a Capstone Diploma. Advanced Placement offerings are Biology, Calculus AB, Calculus BC, Chemistry, Comparative Government and Politics, English Literature and Composition, Physics 1, Physics 2, Psychology, Statistics, U.S. Government and Politics, U.S. History, AP Seminar, AP Research, Spanish, Microeconomics, Macroeconomics, 2D Art and Design, English Language, World History, Modern and Computer Science.

Participation in performing and visual arts inspires students’ creativity, problem-solving, and critical-thinking skills. Synergy and Momentum, our A Cappella groups, were selected as featured performers at the National A Cappella Festival. The A Cappella program released their 6<sup>th</sup> studio album, “Resilience.” One of Synergy’s tracks from their released album, “Safe In Sound,” was selected to appear on the “Best Of High School A Cappella” recording, a compilation of the best high school a cappella from around the country. Students are also planning the 12<sup>th</sup> Annual Nardon A Cappella Festival. This festival invited professional artists worldwide to work on one with visiting school groups. Schools in attendance ranged from around Ohio, Kentucky, and even as far away as Wisconsin, Arkansas, and North Carolina. This is educational for our students, serves as a way of helping them give back to the a cappella community, and brings positive attention to Nardon from around the country.

The Symphonic Chorale, Bel Canto, and Vox Fortis received Superior and Excellent ratings at the Ohio Music Education Association (OMEA) district and state contests held in the spring of 2023. They also served as the site host for the Northeast Ohio Region for District Contest. They hosted 37 choirs over two days from around Northeast Ohio. Their service to music education and their fellow students in other districts, as well as their professionalism and courtesy, was appreciated and noted by all directors visiting with their choirs and several parents from other schools.

The 2023 Nordonia Marching Band had a very successful competition season this year, starting with a fourth placement in Class AA in the Louisville Music In Motion competition. They received the overall highest rating of "Superior," which qualified them for the State Finals competition, an achievement that has now continued for a decade. The band competed at a Regional Bands of America event in Toledo and received 10<sup>th</sup> Place in Class 2A. The band then competed at the "Copley High School Marching Band Invitational" OMEA Competition held in Copley, where they received a rating of Superior, Best Overall Music, 2nd Place in Class AA, and won Reserve Grand Champion. At State Marching Band Finals, they received straight 1s in all categories and an overall rating of "Superior." The band traveled to Indianapolis for their final season competition at Bands of America Grand Nationals, a national competition with some of the best bands in the country competing against each other. Of the 96 bands that competed, Nordonia finished in 48<sup>th</sup> place overall and 12<sup>th</sup> place in Class 2A.

Nordonia Drama had a great year last year!! In the fall, Drama presented *Puffs, or Seven Increasingly Eventful Years at a Certain School of Magic and Magic*. Our cast and crew had a blast presenting this Harry Potter parody. The Nordonia Drama spring musical dove Under the Sea with our production of *The Little Mermaid*. This beloved Disney story took the combined efforts of 40 students onstage and another 45 students working on crews, as technicians, and in the pit orchestra. Nordonia Drama was once again a participating school in the 2023 Dazzle Awards presented through Playhouse Square, with students participating in their educational master classes throughout the year and performing on stage at the Connor Palace at the end of the year ceremony. Our production of *The Little Mermaid* received two nominations, Best Technical Execution and Best Actress for Claire Marchant as Ursula. While we did not bring home any awards, it was an honor to be recognized alongside the fantastic talent of Northeast Ohio high school musical theater.

The Nordonia Hills High School physical education and health department offered nine electives in 2022-2023 school year in addition to the required health and physical education classes for graduation. A total of 647 ninth through twelfth-grade students enrolled in courses offered by the Nordonia High School PE and Health Department, including: Lifetime Fitness, TeamMates (Adapted PE), Recreational Sports and Games, Team Sports, Basketball, Health Careers, Cadet Core, and Mindful Wellness and Yoga. The PE department offered a new elective called Sports Officiating, where students receive training to become a basketball referee and baseball/softball umpire and ultimately serve as referees and umpires for our local Nordonia Youth Basketball (NYB) and Nordonia Hills Athletic Association (NHAA) programs. Students also have the opportunity to earn their Class 3 Officiating license through the OHSAA.

All high school students are required to have 20 community service hours completed and documented to graduate. The class of 2023 completed more than 13,400 hours of community service.

The Senior Job Shadow Program provided a unique opportunity for seniors in the class of 2023 to get out of the classroom and into the real world. For the final three weeks of their school year, 172 students went into the community to investigate various jobs. This program creates a partnership with our community, allowing businesses to connect with our students and gain firsthand experience in a career of interest to them.

Nordonia Middle School students can earn high school credit in Algebra I, Geometry, Health, and Spanish I. During the 2022-2023 academic year, 165 students earned a High School credit in Math (Algebra I or Geometry), 85 Students earned a High School Credit in Spanish I, and 125 students earned their High School Health credit. We continue to see steady growth across the board academically as our students garnered Proficient ratings in 5 of our 7 tested areas.

Nordonia Middle School offers activities and leadership opportunities for students through groups such as Student Council, Power of the Pen, Science Olympiad, office aides, student aides, Youth to Youth, Drama Club, Interact Club, PTSA and GIRLS Club. During the 2022-2023 school year, both our 7th and 8th-grade Choirs earned a Superior rating at their regional competition, while our 7th and 8th grade Band both earned Superior ratings at the OMEA competition. Not to be outdone, Science Olympiad and Power of the Pen students qualified to compete at the State level.

The Middle School continues to expand STEM opportunities through (PTLW) for seventh and eighth-grade students. PTLW courses offered now include Robotics, Flight and Space (2021-2022), Medical Detectives (2023-2024), and Computer Science (2022-2023). Two courses per year are offered rotating to provide students access to multiple courses over their two years at the Middle School.

### **Community**

As part of the School District's strategic plan, the Financial Activities Communications Team (FACT) was formed consisting of residents with financial backgrounds. FACT meets with the School District Treasurer/CFO on a quarterly basis to review and discuss the financial activities of the School District. FACT researches financial data from other area school districts to determine how Nordonias Hills compares.

The Nordonias Hills Schools Foundation provides grants to teachers for educational and instructional programs.

In conjunction with the PTSA Council, the School District held its tenth annual Winter Art and Music Festival showcasing art and music from every School District building.

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

The School District prepares a five-year financial forecast annually for use as a long-range planning tool. The five-year forecast contains projected local and State revenues, spending patterns within each area of the budget, and cash balances in the School District's general operating fund. The five-year forecast provides early warning signals of potential financial problems, specifically when expenditures outpace revenue. The School District uses this forecast to provide a basis for making financial decisions, including the development of the annual budgets, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot. The forecast can be found on the School District's website, [www.nordoniaschools.org](http://www.nordoniaschools.org).

In May 2019, our voters overwhelmingly approved a 6.98 mill operating tax levy 60 percent to 40 percent for a continuing period, making it the largest margin of victory for an operating levy in Nordonias Schools' history. The School District began receiving tax collections from this levy in January 2020. This levy will allow the School District to maintain class sizes and busing, make needed repairs to aging facilities and systems, increase mental health services for students in need and investigate adding programs to keep Nordonias students competitive with students from area school districts.

### **Budgetary Initiatives**

Since the School District does not have a permanent improvement levy, it is necessary for major initiatives relative to the maintenance of the School District's aging facilities to be budgeted through the general operating fund. However, the Board does have a tax valuation settlement agreement with MGM Northfield Park Associates LLC. The first settlement payout was received in October 2021. Subsequent payouts have been and will continue to be received through March of 2026. Over the past couple of years, the Board has authorized a general fund transfer to the permanent improvement fund. This is carefully monitored and managed through the budget process each year. The School District uses a collaborative approach to develop the building/department budgets to best serve the needs of the students and aging buildings.

### **Relevant Financial Policies**

The School District utilizes financial policies to manage purchases. In addition, the School District has a board policy for the procurement of Federal grant funds and uses the uniform Federal grant guidance when making purchases from Federal grants funding. All board policies regarding financial procedures are carefully monitored for compliance.

## **Financial Accomplishments**

Financial responsibility ensures that most of the funding is spent on classroom instruction. Based on the financials for fiscal year 2023, the School District spent approximately 57.7 percent of its total operating expenses on instructional costs. The School District's per pupil cost for fiscal year 2023 was \$18,690.

Of 17 school districts in Summit County, Nardon Hills City School District is the only school district without a permanent improvement levy.

The School District participates in various Federal grant programs providing additional resources for students. In fiscal year 2023, the School District received federal grants in the amounts of \$3,824,356 from the U.S. Department of Education and \$649 from the National Endowment for the Arts & Humanities. In addition, the School District received \$534,843 as a Federal subsidy for the National School Lunch and Breakfast programs provided through the U.S. Department of Agriculture. There was also \$86,293 in non-cash donated commodities received from the U.S. Department of Agriculture.

Memberships within the following organizations assist the School District in receiving products and services while sharing the costs with other school districts and public entities:

- Ohio School Council for group purchasing of cafeteria food and supplies, waste and recycling and electricity.
- HPS for group purchasing of cafeteria food and supplies, school furnishings and equipment.
- Lake Erie Educational Media Consortium for discounts for library books and resources.
- Stark County Schools Council of Governments (COG) was established in 1987 and manages the School District's insurance programs (medical, dental, vision and life). There are more than 170 member school districts, educational service centers, and related agencies that insure over 15,000 participants. The COG is also a member of Employers Health Coalition Inc, which helps identify significant savings in the area of prescription drug costs. In fiscal year 2023, the School District's healthcare insurance premiums experienced a blended rate increase of 6.46 percent over the prior year's premium. The School District received one premium holiday, where no premiums were charged to employees or the Board of Education in July, resulting in an estimated savings of \$1.2 million.

## **Awards**

### *GFOA Certificate of Achievement Program*

The School District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). 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 Annual Comprehensive Financial Report (ACFR), whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting our fiscal year 2023 ACFR for review.

## Acknowledgments

The publication of this report is a significant step toward professionalizing the financial reporting of the School District while enhancing its accountability and transparency to the residents of the Nordonias Hills City School District.

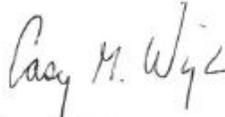
This Annual Comprehensive Financial Report was made possible by the diligence of the staff of the Office of the Treasurer/CFO. Their initiative and conscientious work ensured the integrity of the financial information contained herein and guaranteed this report's successful completion. Additional commendations should be provided to the professionals of the Auditor of State's office of Local Government Services for their expertise and knowledge over governmental accounting principles and standards.

Finally, our thanks are extended to the Board of Education for their support in recognizing the importance of continuously improving our financial accountability and transparency to our citizens and their commitment to excellence in financial reporting. It is the School District's mission to "inspire every student to value learning, community, and excellence."

Respectfully submitted,



Kyle T. Kiffer  
Treasurer/CFO



Casey Wright  
Superintendent

# Nordonia Hills City School District

## Principal Officials

### Board of Education

Mr. Chad Lahrmer..... President  
Ms. Amy Vajdich.....Vice President  
Mr. Matt Kearney.....Member  
Mrs. Liz McKinley.....Member  
Mr. Jason Tidmore.....Member

### Treasurer/CFO

**Mr. Kyle Kiffer**

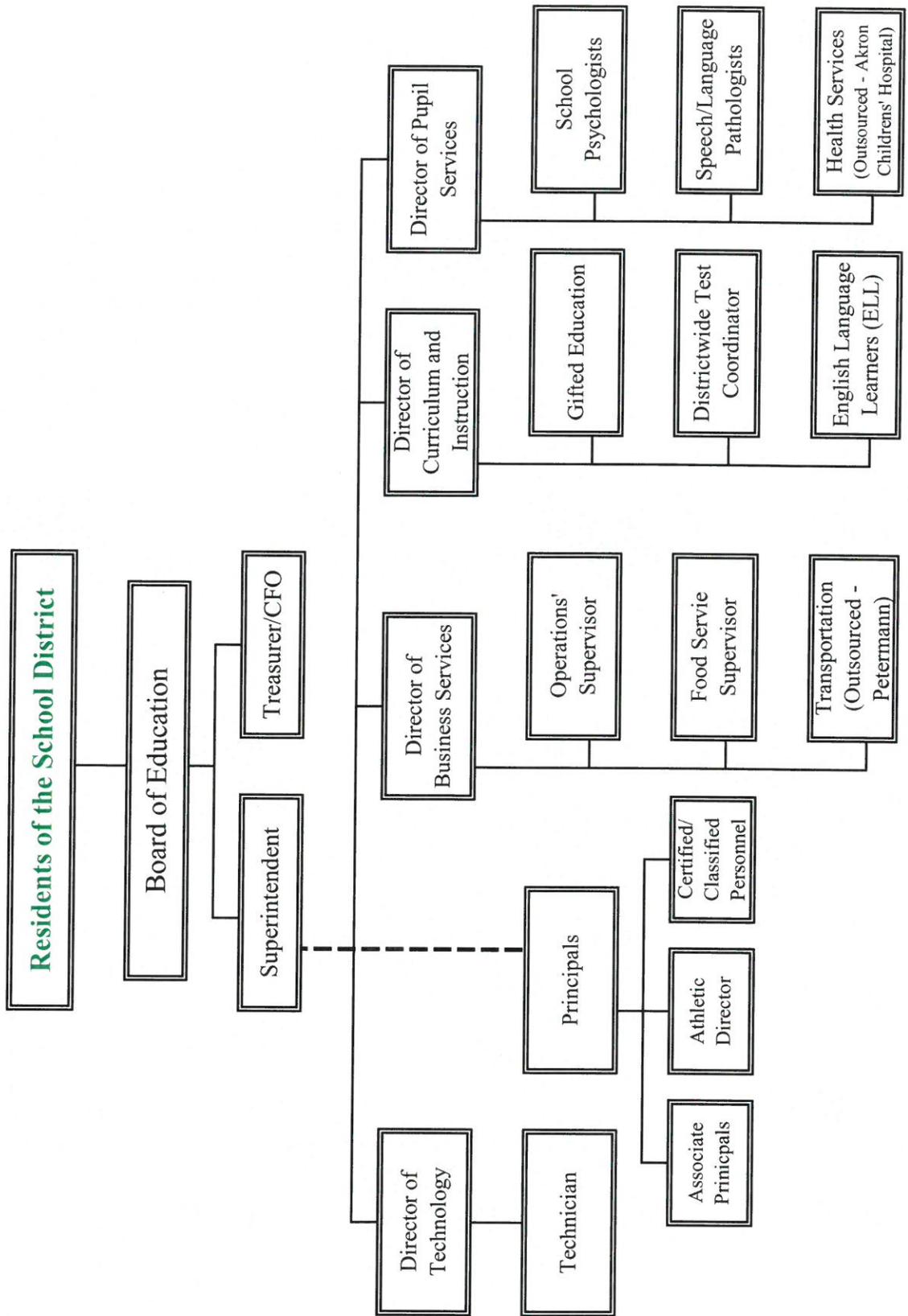
### Administration

Mr. Casey Wright .....Superintendent  
Mr. Steve Marlow.....Interim Director of Business Services  
Mrs. Carrie Hutchinson.....Director of Pupil Services  
Mr. Todd Stuart.....Director of Curriculum & Instruction  
Mr. Mike Russ.....Director of Technology

\*Note: Treasurer/CFO Mr. Matt Brown – resigned 7/31/23  
Superintendent Dr. Joe Clark – resigned 9/29/23  
Business Manager Mr. Casey Wright – 8/1/22-9/29/23

# Nordonia Hills City School District

## Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Nordonia Hills City School District  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



# Financial Section



# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Nordonia Hills City School District, Summit County, Ohio (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Nordonia Hills City School District, Summit County, as of June 30, 2023, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 information**

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

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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.

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 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 District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 28, 2023

**This page intentionally left blank.**



**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

---

The discussion and analysis of Nordonia Hills City School District's (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key financial highlights for fiscal year 2023 are as follows:

- Net position increased in fiscal year 2023 due mainly to (1) an increase in cash and cash equivalents, (2) an increase in net capital assets, (3) a decrease in long-term debt obligations attributable to the continued pay-down of debt and (4) to changes in the net OPEB asset/liability.
- The School District's capital assets increased by \$926,083 from the prior fiscal year. The increase was due to current year additions exceeding annual depreciation/amortization and current year deletions. Additions consisted of construction progress, building improvements, the purchase of various equipment and vehicles and intangible right to use subscription assets.
- Outstanding general obligation bonded debt decreased from \$13,324,874 in fiscal year 2022 to \$10,199,553 in fiscal year 2023, due to continued debt service payments.

### **Using this Annual Financial Report**

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

The statement of net position and the statement of activities provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Nordonia Hills City School District, the general fund is by far the most significant fund.

### **Reporting the School District as a Whole**

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

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during fiscal year 2023?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

---

These two statements report the School 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 School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's performance, demographic and socioeconomic factors and the willingness of the community to support the School District.

In the statement of net position and the statement of activities, the School District's activities are all reported as governmental. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operations and extracurricular activities.

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

#### *Fund Financial Statements*

The analysis of the School District's major fund can be found on page 11. Fund financial reports provide detailed information about the School District's major fund. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental fund is the general fund.

#### *Governmental Funds*

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

### **The School District as a Whole**

You may recall that the statement of net position provides the perspective of the School District as a whole. Table 1, found on the following page, provides a summary of the School District's net position for fiscal year 2023 compared to fiscal year 2022:

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

Table 1  
Net Position

	Governmental Activities		
	2023	Restated 2022	Change
<b>Assets</b>			
Current and Other Assets	\$74,911,116	\$72,999,313	\$1,911,803
Net OPEB Asset	4,660,949	3,746,369	914,580
Capital Assets, Net	32,944,582	32,018,499	926,083
<b>Total Assets</b>	<b>112,516,647</b>	<b>108,764,181</b>	<b>3,752,466</b>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	222,460	284,832	(62,372)
Pension	13,035,937	13,041,486	(5,549)
OPEB	1,288,230	1,588,992	(300,762)
Asset Retirement Obligation	21,600	23,400	(1,800)
<b>Total Deferred Outflows of Resources</b>	<b>14,568,227</b>	<b>14,938,710</b>	<b>(370,483)</b>
<b>Liabilities</b>			
Current and Other Liabilities	8,342,062	7,079,829	(1,262,233)
Long-Term Liabilities:			
Due Within One Year	3,363,549	3,141,050	(222,499)
Due in More than One Year:			
Net Pension Liability	51,956,300	30,967,839	(20,988,461)
Net OPEB Liability	3,168,666	4,348,743	1,180,077
Other Amounts	11,587,467	14,750,237	3,162,770
<b>Total Liabilities</b>	<b>78,418,044</b>	<b>60,287,698</b>	<b>(18,130,346)</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes	34,540,988	38,873,607	4,332,619
Payments in Lieu of Taxes	4,804,433	5,418,952	614,519
Deferred Gain on Refunding	61,027	85,437	24,410
Pension	4,418,812	24,335,162	19,916,350
OPEB	7,595,466	6,962,491	(632,975)
<b>Total Deferred Inflows of Resources</b>	<b>51,420,726</b>	<b>75,675,649</b>	<b>24,254,923</b>
<b>Net Position</b>			
Net Investment in Capital Assets	21,515,761	18,663,020	2,852,741
Restricted:			
Debt Service	2,439,362	1,926,382	512,980
Capital Projects	13,887	10,518	3,369
Other Purposes	1,517,755	1,222,394	295,361
OPEB Plans	1,084,866	296,788	788,078
Unrestricted (Deficit)	(29,325,527)	(34,379,558)	5,054,031
<b>Total Net Position</b>	<b>(\$2,753,896)</b>	<b>(\$12,260,456)</b>	<b>\$9,506,560</b>

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

---

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2023. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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.

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. For the School District, total assets and deferred outflows of resources were less than total liabilities and deferred inflows of resources by \$2,753,896 in fiscal year 2023 and \$12,260,456 in fiscal year 2022.

A large portion of the School District’s net position reflects “Net Investment in Capital Assets” (i.e. land, construction in progress, buildings, improvements, furniture, fixtures, equipment, vehicles and intangible right to use) less any related debt to acquire those assets that are still outstanding. The School District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the School District’s investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The School District continues to provide the services that the School District residents expect while maintaining the costs of providing those services.

Current assets increased due mainly to an increase in cash and cash equivalents as a result of cash receipts outpacing cash disbursements by approximately \$1.5 million from careful management of resources. The increase in capital assets was due to current year additions outpacing annual depreciation/amortization and current year deletions.

Current liabilities increased largely due to an increase in contracts payable related to construction projects. Long-term liabilities went up significantly during fiscal year 2023 due mainly to an increase the net pension liability. As indicated previously, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension and net OPEB liabilities. The increase in this liability was partially offset by decreases in the associated deferred inflows.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for fiscal years 2023 and 2022.

Table 2  
Change in Net Position

	Governmental Activities		
	2023	2022	Change
Revenues			
Program Revenues:			
Charges for Services	\$3,125,297	\$2,263,942	\$861,355
Operating Grants, Contributions and Interest	3,397,117	6,514,534	(3,117,417)
Capital Contributions	0	401,350	(401,350)
Total Program Revenues	<u>6,522,414</u>	<u>9,179,826</u>	<u>(2,657,412)</u>
General Revenue:			
Property Taxes	49,910,776	41,654,481	8,256,295
Payments in Lieu of Taxes	4,836,490	9,883,681	(5,047,191)
Grants and Entitlements, not Restricted	8,920,861	8,753,554	167,307
Unrestricted Contributions and Donations	15,758	3,879	11,879
Investment Earnings/Interest	820,959	(248,355)	1,069,314
Gain on Sale of Capital Assets	0	2,000	(2,000)
Miscellaneous	99,219	66,414	32,805
Total General Revenues	<u>64,604,063</u>	<u>60,115,654</u>	<u>4,488,409</u>
Total Revenues	<u>71,126,477</u>	<u>69,295,480</u>	<u>1,830,997</u>
Program Expenses:			
Instruction:			
Regular	26,734,693	23,617,539	(3,117,154)
Special	8,437,328	7,406,764	(1,030,564)
Vocational	276,753	335,103	58,350
Student Intervention Services	131,793	135,982	4,189
Support Services:			
Pupils	6,088,493	5,069,805	(1,018,688)
Instructional Staff	1,114,331	1,092,783	(21,548)
Board of Education	41,497	36,696	(4,801)
Administration	3,587,427	3,223,778	(363,649)
Fiscal	1,480,059	1,461,194	(18,865)
Business	345,794	344,435	(1,359)
Operation and Maintenance of Plant	4,930,537	5,568,457	637,920
Pupil Transportation	4,224,493	4,149,238	(75,255)
Central	715,434	470,641	(244,793)
Operation of Non-Instructional Services	49,741	86,579	36,838
Food Service Operations	1,294,850	1,243,903	(50,947)
Extracurricular Activities	1,981,228	1,742,194	(239,034)
Interest	185,466	280,911	95,445
Total Program Expenses	<u>61,619,917</u>	<u>56,266,002</u>	<u>(5,353,915)</u>
Change in Net Position	9,506,560	13,029,478	(3,522,918)
Net Position Beginning of Year - Restated	<u>(12,260,456)</u>	<u>(25,289,934)</u>	<u>13,029,478</u>
Net Position End of Year	<u>(\$2,753,896)</u>	<u>(\$12,260,456)</u>	<u>\$9,506,560</u>

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

Program revenues decreased for governmental activities in fiscal year 2023 due to a drop in operating grants and capital contributions. The decrease in operating grants was mainly due to a decrease in ESSER and Federal Child Nutrition grant funding. The decrease in program revenues was partially offset by an increase in charges for services resulting from higher customer charges and sales related to food service. Property tax revenues went up significantly due to the timing of tax settlement bills.

Program expenses increased significantly due mainly to changes in the net pension and net OPEB (asset)/liabilities. Program expenses related to these (asset)/liabilities and the associated deferred outflows and deferred inflows were a negative (\$4,481,678) in fiscal year 2022 versus a negative (\$83,260) in fiscal year 2023.

***Governmental Activities***

Several revenue sources fund our governmental activities with property taxes and State Foundation revenues being the largest contributors. With the combination of taxes and intergovernmental funding making up a significant portion of all revenues, the School District monitors both of these revenue sources very closely for fluctuations.

The majority of the School District's expenses are for instructional costs. Support services for pupils, administration, operation and maintenance of plant, and pupil transportation are the next largest area of expenses. The remaining amount of program expenses are to facilitate other obligations of the School District, such as interest, the food service program and numerous extracurricular activities.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government 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 entitlements for fiscal year 2023 compared to 2022.

Table 3  
Governmental Activities

	Total Cost of Services 2023	Net Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2022
Instruction	\$35,580,567	\$33,512,219	\$31,495,388	\$28,426,540
Support Services:				
Pupils	6,088,493	5,767,367	5,069,805	2,945,754
Instructional Staff	1,114,331	1,043,926	1,092,783	936,838
Board of Education	41,497	40,752	36,696	36,037
Administration	3,587,427	3,497,268	3,223,778	3,157,177
Fiscal	1,480,059	1,453,593	1,461,194	1,434,789
Business	345,794	339,376	344,435	337,990
Operation and Maintenance of Plant	4,930,537	4,624,759	5,568,457	5,467,313
Pupil Transportation	4,224,493	3,497,489	4,149,238	3,911,236
Central	715,434	692,285	470,641	451,709
Operating of Non-Instructional Services	49,741	(1,890)	86,579	9,291
Food Service Operations	1,294,850	(313,077)	1,243,903	(949,460)
Extracurricular Activities	1,981,228	757,970	1,742,194	640,051
Interest	185,466	185,466	280,911	280,911
<b>Total Expenses</b>	<b>\$61,619,917</b>	<b>\$55,097,503</b>	<b>\$56,266,002</b>	<b>\$47,086,176</b>

As one can see, the vast majority of program expenses are not covered by program revenues. Instead, the reliance upon general revenues, including local tax revenues and payments in lieu of taxes for governmental activities, is crucial.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

---

**School District's Funds**

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources that exceeded expenditures and other financing uses, for an overall increase in fund balance from the prior fiscal year. The general fund reported an increase in fund balance mainly attributable to a significant increase in property tax revenues due to the timing of tax settlement bills.

**General Fund Budgeting Highlights**

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

During the course of fiscal year 2023, the School District amended its general fund budget numerous times. Budget revisions are presented to the Board of Education for approval.

For the general fund, the final budget basis revenue estimate was higher than the original budget estimate. The change was attributed mainly to changes in estimates for property taxes, as funding levels became more apparent.

The final budget appropriations increased slightly over the original budget appropriations of the general fund. This change was attributable to small adjustments to both instruction as well as support service expenditures, as a more accurate picture of the fiscal year was realized.

**Capital Assets and Debt Administration**

*Capital Assets*

All capital assets, except land and construction in progress, are reported net of depreciation. Capital assets increased during fiscal year 2023 as a result of current additions outpacing current deletions and depreciation. Additions to capital assets included, but were not limited to, construction in progress related to school building roof replacements, technology equipment and two new vehicles for the maintenance department. For more information on capital assets refer to Note 9 of the basic financial statements.

*Debt Administration*

During fiscal year 2014, the School District issued \$729,744 in bonds, the proceeds of which were used to finance the installation, modification and remodeling of buildings to conserve energy.

During fiscal year 2015, the School District issued \$10,485,000 in bonds to partially refund the 2006 refunding bonds, as well as \$4,490,000 in bonds to refund the serial bond portion of the 2009 athletic facilities bonds.

During fiscal year 2017, the School District issued \$9,805,000 in bonds to refund the serial portion of the 2006 refunding bonds.

During fiscal year 2023, the School District entered into financed purchase agreements for copiers and laptops.

The School District made principal and interest payments of \$3,084,140 and \$324,051, respectively, on long-term debt obligations during fiscal year 2023.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2023*  
*Unaudited*

---

See Note 14 to the basic financial statements for additional information related to long-term debt activity, including the repayment schedules of the bonded debt.

The School District's overall legal debt margin was \$98,309,926 with an unvoted debt margin of \$1,172,298 as of June 30, 2023.

**Current Issues Affecting Financial Condition**

The Board of Education and administration closely monitor the revenues and expenditures in tandem with the five-year financial forecast. The School District, like many other districts across Ohio, is financially challenged and subject to the State's biennial budget process. Beginning in fiscal year 2022, School District foundation funding received from the state of Ohio was funded using a direct funding model. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each School District. At the local level, taxpayers must approve additional levies to pay for unfunded mandates, as well as continue the programs they have come to expect as normal operations. The administration remains vigilant in monitoring the finances and prudently plans to provide the financial resources to meet the students' needs over the next several years. The voters approved a 6.98 mill operating tax levy for a continuing period of time which is expected to generate approximately \$7 million annually that began collections in January 2020. In October 2021, the School District reached a tax valuation settlement agreement with a large business within the School District's boundaries. The first and second settlement payouts were received in October 2021 and February 2022. Subsequent payouts totaling approximately \$7,862,000 will be received through March of 2026.

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

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Kyle Kiffer, Treasurer/CFO, at Nordonia Hills City School District, 9370 Olde Eight Road, Northfield, Ohio 44067.

**Basic Financial Statements**

**Nordonia Hills City School District**  
*Statement of Net Position*  
June 30, 2023

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$25,202,740
Inventory Held for Resale	10,736
Materials and Supplies Inventory	74,400
Accrued Interest Receivable	20,661
Accounts Receivable	9,450
Intergovernmental Receivable	523,604
Prepaid Items	47,870
Property Taxes Receivable	44,217,222
Payments in Lieu of Taxes Receivable	4,804,433
Net OPEB Asset (See Note 11)	4,660,949
Nondepreciable Capital Assets	2,378,029
Depreciable Capital Assets, Net	30,566,553
<i>Total Assets</i>	112,516,647
<b>Deferred Outflows of Resources</b>	
Deferred Charge on Refunding	222,460
Pension	13,035,937
OPEB	1,288,230
Asset Retirement Obligation	21,600
<i>Total Deferred Outflows of Resources</i>	14,568,227
<b>Liabilities</b>	
Accounts Payable	381,495
Accrued Wages and Benefits	5,042,495
Contracts Payable	1,081,634
Intergovernmental Payable	1,095,808
Accrued Interest Payable	23,819
Matured Compensated Absences Payable	340,475
Unearned Revenue	376,336
Long-Term Liabilities:	
Due Within One Year	3,363,549
Due In More Than One Year:	
Net Pension Liability (See Note 10)	51,956,300
Net OPEB Liability (See Note 11)	3,168,666
Other Amounts	11,587,467
<i>Total Liabilities</i>	78,418,044
<b>Deferred Inflows of Resources</b>	
Property Taxes	34,540,988
Payments in Lieu of Taxes	4,804,433
Deferred Charge on Refunding	61,027
Pension	4,418,812
OPEB	7,595,466
<i>Total Deferred Inflows of Resources</i>	51,420,726
<b>Net Position</b>	
Net Investment in Capital Assets	21,515,761
Restricted for:	
Debt Service	2,439,362
Capital Projects	13,887
Student Activities	389,743
Instruction	46,465
Unclaimed Monies	16,989
Other Purposes	1,064,558
OPEB Plans	1,084,866
Unrestricted (Deficit)	(29,325,527)
<i>Total Net Position</i>	(\$2,753,896)

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2023

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	
<b>Governmental Activities</b>				
Instruction:				
Regular	\$26,734,693	\$444,298	\$645,962	(\$25,644,433)
Special	8,437,328	139,304	826,807	(7,471,217)
Vocational	276,753	4,149	5,461	(267,143)
Student Intervention Services	131,793	2,367	0	(129,426)
Support Services:				
Pupils	6,088,493	114,107	207,019	(5,767,367)
Instructional Staff	1,114,331	18,669	51,736	(1,043,926)
Board of Education	41,497	745	0	(40,752)
Administration	3,587,427	64,368	25,791	(3,497,268)
Fiscal	1,480,059	26,466	0	(1,453,593)
Business	345,794	6,418	0	(339,376)
Operation and Maintenance of Plant	4,930,537	82,114	223,664	(4,624,759)
Pupil Transportation	4,224,493	68,254	658,750	(3,497,489)
Central	715,434	12,072	11,077	(692,285)
Operation of Non-Instructional Services	49,741	0	51,631	1,890
Food Service Operations	1,294,850	956,499	651,428	313,077
Extracurricular Activities	1,981,228	1,185,467	37,791	(757,970)
Interest	185,466	0	0	(185,466)
<b>Totals</b>	<b>\$61,619,917</b>	<b>\$3,125,297</b>	<b>\$3,397,117</b>	<b>(55,097,503)</b>

**General Revenues**

Property Taxes Levied for:	
General Purposes	46,520,923
Debt Service	3,389,853
Payments in Lieu of Taxes	4,836,490
Grants and Entitlements not Restricted to Specific Programs	8,920,861
Unrestricted Contributions and Donations	15,758
Investment Earnings/Interest	820,959
Miscellaneous	99,219
<b>Total General Revenues</b>	<b>64,604,063</b>
Change in Net Position	9,506,560
<i>Net Position Beginning of Year - Restated (See Note 22)</i>	<u>(12,260,456)</u>
<i>Net Position End of Year</i>	<u><u>(\$2,753,896)</u></u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**

*Balance Sheet*

*Governmental Funds*

*June 30, 2023*

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$17,508,049	\$7,677,702	\$25,185,751
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	16,989	0	16,989
Accounts Receivable	8,133	1,317	9,450
Intergovernmental Receivable	184,734	338,870	523,604
Accrued Interest Receivable	20,661	0	20,661
Interfund Receivable	284,490	0	284,490
Inventory Held for Resale	0	10,736	10,736
Materials and Supplies Inventory	68,476	5,924	74,400
Property Taxes Receivable	41,259,415	2,957,807	44,217,222
Payments in Lieu of Taxes Receivable	4,804,433	0	4,804,433
Prepaid Items	47,870	0	47,870
<i>Total Assets</i>	<u>\$64,203,250</u>	<u>\$10,992,356</u>	<u>\$75,195,606</u>
<b>Liabilities</b>			
Accounts Payable	\$334,287	\$47,208	\$381,495
Accrued Wages and Benefits	4,947,964	94,531	5,042,495
Contracts Payable	0	1,081,634	1,081,634
Intergovernmental Payable	1,061,105	34,703	1,095,808
Interfund Payable	0	284,490	284,490
Matured Compensated Absences Payable	329,341	11,134	340,475
Unearned Revenue	0	376,336	376,336
<i>Total Liabilities</i>	<u>6,672,697</u>	<u>1,930,036</u>	<u>8,602,733</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	32,290,899	2,250,089	34,540,988
Payments in Lieu of Taxes	4,804,433	0	4,804,433
Unavailable Revenue	581,689	79,573	661,262
<i>Total Deferred Inflows of Resources</i>	<u>37,677,021</u>	<u>2,329,662</u>	<u>40,006,683</u>
<b>Fund Balances</b>			
Nonspendable	133,335	5,924	139,259
Restricted	0	4,017,939	4,017,939
Committed	76,855	2,756,934	2,833,789
Assigned	4,662,749	0	4,662,749
Unassigned (Deficit)	14,980,593	(48,139)	14,932,454
<i>Total Fund Balances</i>	<u>19,853,532</u>	<u>6,732,658</u>	<u>26,586,190</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$64,203,250</u>	<u>\$10,992,356</u>	<u>\$75,195,606</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 June 30, 2023*

<b>Total Governmental Fund Balances</b>	<b>\$26,586,190</b>
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	32,944,582
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenues in the funds:	
Delinquent Property Taxes	429,501
Intergovernmental	48,139
Tuition and Fees	183,622
<b>Total</b>	<b>661,262</b>
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(23,819)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(10,199,553)
Financed Purchases	(309,067)
Compensated Absences	(4,352,396)
Asset Retirement Obligation	(90,000)
<b>Total</b>	<b>(14,951,016)</b>
Deferred outflows of resources represent deferred amounts on asset retirement obligations.	21,600
Deferred outflows of resources represent deferred charges on refundings, which are not reported in the funds.	222,460
Deferred inflows of resources represent deferred gains on refundings, which are not reported in the funds.	(61,027)
The net pension and OPEB asset/liabilities are not due and payable in the current period; therefore, the asset/liabilities and related deferred inflows/outflows are not reported in governmental funds:	
Net OPEB Asset	4,660,949
Deferred Outflows - Pension	13,035,937
Deferred Outflows - OPEB	1,288,230
Net Pension Liability	(51,956,300)
Net OPEB Liability	(3,168,666)
Deferred Inflows - Pension	(4,418,812)
Deferred Inflows - OPEB	(7,595,466)
<b>Total</b>	<b>(48,154,128)</b>
 <i>Net Position of Governmental Activities</i>	 <b><u>(\$2,753,896)</u></b>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2023*

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Property Taxes	\$46,421,254	\$3,382,331	\$49,803,585
Payments in Lieu of Taxes	4,836,490	0	4,836,490
Intergovernmental	8,841,707	3,808,055	12,649,762
Investment Earnings/Interest	820,959	30,292	851,251
Tuition and Fees	983,450	919	984,369
Charges for Services	200	956,499	956,699
Extracurricular Activities	359,574	752,285	1,111,859
Contributions and Donations	15,758	93,892	109,650
Rentals	48,838	5,986	54,824
Miscellaneous	98,715	504	99,219
<i>Total Revenues</i>	<u>62,426,945</u>	<u>9,030,763</u>	<u>71,457,708</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	24,744,102	743,298	25,487,400
Special	7,774,804	772,863	8,547,667
Vocational	224,781	8,825	233,606
Student Intervention Services	131,793	0	131,793
Support Services:			
Pupils	6,333,569	167,885	6,501,454
Instructional Staff	1,042,056	54,789	1,096,845
Board of Education	41,497	0	41,497
Administration	3,625,012	25,791	3,650,803
Fiscal	1,482,169	44,051	1,526,220
Business	357,842	0	357,842
Operation and Maintenance of Plant	4,594,550	1,666,541	6,261,091
Pupil Transportation	3,801,286	420,107	4,221,393
Central	668,568	10,800	679,368
Operation of Non-Instructional Services	0	49,741	49,741
Food Service Operations	0	1,375,405	1,375,405
Extracurricular Activities	1,113,296	851,532	1,964,828
Capital Outlay	438,063	995	439,058
Debt Service:			
Principal Retirement	128,996	2,955,144	3,084,140
Interest	0	324,051	324,051
<i>Total Expenditures</i>	<u>56,502,384</u>	<u>9,471,818</u>	<u>65,974,202</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,924,561</u>	<u>(441,055)</u>	<u>5,483,506</u>
<b>Other Financing Sources (Uses)</b>			
Inception of Financed Purchase	309,067	0	309,067
Inception of Subscription	128,996	0	128,996
Transfers In	0	1,500,000	1,500,000
Transfers Out	(1,500,000)	0	(1,500,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,061,937)</u>	<u>1,500,000</u>	<u>438,063</u>
<i>Net Change in Fund Balances</i>	4,862,624	1,058,945	5,921,569
<i>Fund Balances Beginning of Year</i>	<u>14,990,908</u>	<u>5,673,713</u>	<u>20,664,621</u>
<i>Fund Balances End of Year</i>	<u>\$19,853,532</u>	<u>\$6,732,658</u>	<u>\$26,586,190</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**

*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, 2023*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		\$5,921,569
 <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/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period:		
Capital Outlay	3,156,537	
Current Year Depreciation/Amortization	<u>(2,210,564)</u>	
Total		945,973
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(19,890)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent Property Taxes	107,191	
Intergovernmental	(455,968)	
Tuition and Fees	<u>17,546</u>	
Total		(331,231)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		3,084,140
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Accrued Interest	6,370	
Amortization of Bond Premium	170,177	
Amortization of Accounting Loss	(62,372)	
Amortization of Accounting Gain	<u>24,410</u>	
Total		138,585
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Compensated Absences	124,017	
Asset Retirement Obligation	<u>(1,800)</u>	
Total		122,217
Other financing sources in the governmental funds increase long-term liabilities in the statement of net position:		
Inception of Financed Purchase	(309,067)	
Inception of Subscription	<u>(128,996)</u>	
Total		(438,063)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:		
Pension	4,641,012	
OPEB	<u>160,483</u>	
Total		4,801,495
Except for amounts reported as deferred inflows/outflows, changes in the net pension/ OPEB asset/liabilities are reported as pension/OPEB expense in the statement of activities:		
Pension	(5,718,672)	
OPEB	<u>1,000,437</u>	
Total		<u>(4,718,235)</u>
<i>Change in Net Position of Governmental Activities</i>		<u>\$9,506,560</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$39,925,138	\$41,472,529	\$41,426,383	(\$46,146)
Payments in Lieu of Taxes	4,836,490	4,836,490	4,836,490	0
Intergovernmental	8,774,621	8,785,246	8,841,337	56,091
Interest	170,000	567,624	798,538	230,914
Tuition and Fees	916,000	933,500	984,111	50,611
Charges for Services	0	0	200	200
Extracurricular Activities	350,500	335,500	325,789	(9,711)
Contributions and Donations	2,500	2,500	6,300	3,800
Rentals	20,000	20,000	48,618	28,618
Miscellaneous	47,750	47,750	94,796	47,046
<i>Total Revenues</i>	<u>55,042,999</u>	<u>57,001,139</u>	<u>57,362,562</u>	<u>361,423</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	25,036,696	25,277,227	24,737,204	540,023
Special	7,856,870	7,931,244	7,804,684	126,560
Vocational	275,950	278,562	278,151	411
Student Intervention Services	130,557	131,793	131,793	0
Support Services:				
Pupils	5,995,334	6,052,087	6,038,284	13,803
Instructional Staff	1,082,207	1,092,451	1,056,228	36,223
Board of Education	60,963	61,540	44,752	16,788
Administration	3,896,446	3,933,330	3,643,002	290,328
Fiscal	1,480,315	1,494,327	1,481,917	12,410
Business	386,027	389,681	372,493	17,188
Operation and Maintenance of Plant	4,702,166	4,746,678	4,650,067	96,611
Pupil Transportation	4,035,006	4,073,201	3,918,807	154,394
Central	935,806	944,664	817,721	126,943
Extracurricular Activities	1,141,894	1,152,703	1,057,865	94,838
<i>Total Expenditures</i>	<u>57,016,237</u>	<u>57,559,488</u>	<u>56,032,968</u>	<u>1,526,520</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,973,238)</u>	<u>(558,349)</u>	<u>1,329,594</u>	<u>1,887,943</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	1,000	1,000	1,000	0
Advances Out	(5,000)	(5,000)	0	5,000
Transfers Out	(1,718,500)	(1,522,054)	(1,500,000)	22,054
<i>Total Other Financing Sources (Uses)</i>	<u>(1,722,500)</u>	<u>(1,526,054)</u>	<u>(1,499,000)</u>	<u>27,054</u>
<i>Net Change in Fund Balance</i>	<u>(3,695,738)</u>	<u>(2,084,403)</u>	<u>(169,406)</u>	<u>1,914,997</u>
<i>Fund Balance Beginning of Year</i>	<u>16,760,590</u>	<u>16,760,590</u>	<u>16,760,590</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>790,937</u>	<u>790,937</u>	<u>790,937</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$13,855,789</u>	<u>\$15,467,124</u>	<u>\$17,382,121</u>	<u>\$1,914,997</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

**Note 1 – Description of the School District and Reporting Entity**

The Nordonia Hills City School District (School District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government. Each member is elected to a four-year term. The School District provides educational services as mandated by State and/or Federal agencies. The Board controls the School District's six instructional/support facilities staffed by 236 non-certificated employees and 257 certificated teaching and support personnel, plus 18 administrators that provide services to 3,287 students and other community members.

*Reporting Entity*

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

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

The School District is associated with three jointly governed organizations and one shared risk pool. These organizations include the Northeast Ohio Network for Educational Technology, the Ohio Schools Council, the Cuyahoga Valley Career Center, and the Stark County Schools Council of Governments Health Benefits Plan. Information regarding these organizations is presented in Notes 15 and 16 to the basic financial statements.

**Note 2 – Summary of Significant Accounting Policies**

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

***Basis of Presentation***

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

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

***Fund Financial Statements*** During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental 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.

***Fund Accounting***

The School 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 funds of the School District are governmental.

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

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

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

***Measurement Focus***

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

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

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

***Revenues - Exchange and 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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On 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 to be both measurable and available at year end: property taxes available as an advance, interest, tuition, grants, fees and rentals.

## Nordonia Hills City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

---

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, asset retirement obligations and pension and OPEB plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is expensed in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11, respectively.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources includes gain on refunding, property taxes, payments in lieu of taxes, pension and OPEB plans, 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, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants and tuition and fees. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 17. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 10 and 11).

***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the operating statement as an expenditure with a like amount reported as intergovernmental revenue. Unused donated commodities are reported as inventory held for resale.

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.

### ***Cash and Cash Equivalents***

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the basic financial statements.

During fiscal year 2023, investments were limited to STAR Ohio, First American Treasury Obligations funds, commercial paper, Federal Home Loan Bank notes, Federal Home Loan Mortgage Corporation notes, Federal Farm Credit Bank notes, U.S. Treasury notes and negotiable certificates of deposit.

## **Nordonia Hills City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

---

Except for nonparticipating investment contracts and STAR Ohio, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit are reported at cost. The School District's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year.

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

For fiscal year 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is appreciated. STAR Ohio reserves the right to limit the transaction to \$250 million per day.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Investment earnings/interest revenue credited to the general fund during the fiscal year 2023 amounted to \$820,959, of which \$229,031 was assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are reported as cash equivalents.

### ***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

### ***Inventory***

Materials and supplies inventory is reported at cost, while inventory held for resale is presented at the lower of cost or market value, and donated commodities are presented at their entitlement value. Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food held for resale.

### ***Deferred Charge on Refunding***

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources or deferred inflows of resources on the statement of net position.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

---

***Capital Assets***

All capital assets of the School District are classified as general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets (except for intangible right to use subscription assets, which are discussed below) are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of capital assets by back trending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of 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:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	10-50 years
Furniture and Equipment	5-20 years
Vehicles	5-10 years
Intangible Right to Use - Subscriptions	3-5 years

The School District is reporting intangible right to use assets related to subscription assets. Subscription assets represent intangible right to use assets related to the use of another party’s IT software. These intangible right to use assets are being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

***Interfund Balances***

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

***Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

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

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the funds from which the employee who has accumulated unpaid leave is paid.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds; however, claims and judgments 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 fiscal year. Bonds and subscriptions payable are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liabilities 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.

***Bond Premiums***

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are reported in the year the bonds are issued.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

## **Nordonia Hills City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

---

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or by State statute. State statute authorizes the Treasurer to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated. The School District Board of Education also assigned fund balance to cover a gap between fiscal year 2024's estimated revenue and appropriated budget and for public school support.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

### ***Net Position***

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted net position for OPEB plans represent the corresponding restricted asset amounts after considering the related deferred outflows and deferred inflows. Net position restricted for other purposes includes resources restricted for food service, local grants and state programs.

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

### ***Restricted Assets***

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or the laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the general fund include the amounts for unclaimed monies.

### ***Estimates***

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

### ***Internal Activity***

Transfers between governmental funds are eliminated on the government-wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

---

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.

***Budgetary Data***

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District's Treasurer. The amounts reported in the budgetary statement as the original and final budgeted amounts reflect the amounts in the amended certificate in effect when the original and final appropriations were passed.

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

***Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to 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.

***Unearned Revenue***

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. The School District recognizes unearned revenue for intergovernmental revenue from grants received before the eligibility requirements are met.

***Subscription Payable***

The School District is reporting Subscription-Based Information Technology Arrangements (SBITAs) for various noncancellable IT software contracts. At the commencement of the subscription term, the School District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at the commencement of the subscription term, plus certain initial implementation costs. Subsequently, the subscription asset is amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT asset. Subscription assets are reported with other capital assets and subscription payables are reported with long-term debt on the statement of net position.

**Note 3 – Budgetary Basis of Accounting**

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

The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Investments are reported at fair value (GAAP) rather than cost (budget basis).
3. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
4. Advances In are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Budgetary revenues and expenditures of the public school support fund are reclassified to the general fund for GAAP reporting.
6. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed, or assigned fund balance (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	\$4,862,624
Net Adjustment for Revenue Accruals	(5,443,188)
Beginning Fair Value Adjustment	(289,928)
Ending Fair Value Adjustment	279,286
Net Adjustment for Expenditure Accruals	955,843
Advances In	1,000
Perspective Difference:	
Public School Support	20,288
Encumbrances	(555,331)
Budget Basis	<u><u>(\$169,406)</u></u>

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

**Note 4 – Fund Balances**

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

Fund Balances	General	Other Governmental Funds	Total
<u>Nonspendable:</u>			
Unclaimed Monies	\$16,989	\$0	\$16,989
Materials and Supplies Inventory	68,476	5,924	74,400
Prepays	47,870	0	47,870
<i>Total Nonspendable</i>	<u>133,335</u>	<u>5,924</u>	<u>139,259</u>
<u>Restricted for:</u>			
Debt Service	0	2,431,747	2,431,747
Capital Projects	0	13,887	13,887
Student Activities	0	389,743	389,743
Instruction	0	90,232	90,232
Food Service	0	1,092,330	1,092,330
<i>Total Restricted</i>	<u>0</u>	<u>4,017,939</u>	<u>4,017,939</u>
<u>Committed to:</u>			
High School Book Store	0	4,903	4,903
Transportation Services	1,733	0	1,733
ESC Services	63,605	0	63,605
Legal Services	1,243	0	1,243
Other Services	10,274	0	10,274
Capital Improvements	0	2,752,031	2,752,031
<i>Total Committed</i>	<u>76,855</u>	<u>2,756,934</u>	<u>2,833,789</u>
<u>Assigned to:</u>			
Fiscal Year 2024 Operations	4,412,908	0	4,412,908
Public School Support	101,270	0	101,270
Purchases on Order	148,571	0	148,571
<i>Total Assigned</i>	<u>4,662,749</u>	<u>0</u>	<u>4,662,749</u>
Unassigned (Deficit)	<u>14,980,593</u>	<u>(48,139)</u>	<u>14,932,454</u>
<b>Total Fund Balances</b>	<u><u>\$19,853,532</u></u>	<u><u>\$6,732,658</u></u>	<u><u>\$26,586,190</u></u>

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

**Note 5 – Deficit Funds**

At June 30, 2023, the following funds had deficit fund balances:

	<u>Amount</u>
<b><i>Other Governmental Funds:</i></b>	
Title VI-B	\$38,718
Reducing Class Size	9,421

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the general fund needed for operations until the receipt of grant monies. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Note 6 – Deposits and Investments**

Monies held by the School District are classified by State statute into three categories.

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

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

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, 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 previously provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

## Nordonia Hills City School District

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023

---

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 divisions are made only through eligible institutions;
7. The State Treasurer's investment pool (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. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

### Deposits

**Custodial credit risk** for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2023, \$190,666 of the School District's bank balance of \$759,083 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The School District's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent, resulting in the uninsured and uncollateralized balance.

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

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

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2023

**Investments**

Investments are reported at fair value. As of June 30, 2023, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percent of Total Investments
Net Asset Value Per Share:				
STAR Ohio	13,880,060	Average 38.5 days	AAAm	N/A
Amortized Cost:				
Commercial Paper	2,429,129	Less than one year	A-1+ or A-1	9.73 %
Fair Value - Level One Inputs:				
First American Treasury Obligations Fund	450,216	Less than one year	AAAm	N/A
Fair Value - Level Two Inputs:				
Federal Home Loan Bank Notes	1,819,851	Less than four years	AA+	7.29 %
Federal Home Loan Mortgage Corporation Notes	1,127,552	Less than three years	AA+	N/A
Federal Farm Credit Bank Notes	483,347	Less than two years	AA+	N/A
U.S. Treasury Notes	828,713	Less than one year	AA+	N/A
Negotiable Certificates of Deposit	<u>3,950,891</u>	Less than five years	N/A	15.82 %
Total Investments	<u>\$24,969,759</u>			

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The preceding chart identifies the School District's recurring fair value measurements as of June 30, 2023. STAR Ohio is measured at net asset value per share. Commercial paper is measured at amortized cost. The First American Treasury Obligations Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The School District's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

**Interest Rate Risk** The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District and that investment must be purchased with the expectation that it will be held to maturity.

**Credit Risk** Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk. The negotiable certificates of deposit are not rated.

**Concentration of Credit Risk** This type of risk is defined by the Governmental Accounting Standards Board as having investments of five percent or more in the securities of a single issuer. The School District's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

**Note 7 – Property Taxes**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2023 represents collections of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed value listed as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2023 represents collections of calendar year 2022 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 became a lien December 31, 2021, were levied after April 1, 2022 and are collected in calendar year 2023 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Summit County. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes, which are measurable as of June 30, 2023, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources – property taxes.

The amount available as an advance at June 30, 2023, was \$8,570,449 in the general fund and \$676,284 in the bond retirement debt service fund. The amount available as an advance at June 30, 2022, was \$3,575,578 in the general fund and \$286,523 in the bond retirement debt service fund. The difference was in the timing and collection by the County Fiscal Officer.

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

The assessed values upon which the fiscal year 2023 taxes were collected are:

	2022 Second- Half Collections		2023 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,101,220,360	95.75 %	\$1,113,726,600	94.94 %
Public Utility Personal Property	48,922,290	4.25	59,411,950	5.06
	\$1,150,142,650	100.00 %	\$1,173,138,550	100.00 %
Tax rate per \$1,000 of assessed valuation	\$75.14		\$75.09	

**Note 8 – Receivables**

Receivables at June 30, 2023, consisted of taxes, payments in lieu of taxes, accrued interest, accounts (tuition and excess costs), and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of Federal funds. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
School Foundation Adjustments	\$183,622
Title VI-B Grant	137,459
Elementary and Secondary School Emergency Relief Grant	93,107
Title I Grant	79,629
Reducing Class Size Grant	22,013
Limited English Proficiency Grant	3,330
Miscellaneous State Grants	2,634
Ohio Worker's Compensation Premium Refund	1,112
Title IV-A Grant	421
Data Communications Grant	277
Total	\$523,604

***Payments in Lieu of Taxes***

The School District is party to Tax Increment Financing (TIF) agreements. Municipalities, townships, and counties can enter into TIF agreements which lock in real property at its unimproved value for up to 30 years in a defined TIF district. Some TIF agreements also require the TIF government to allocate service payments to school districts and other governments to help offset the property taxes these governments would have received had the improvements to real property not been exempted. The service payments that the School District receives as part of TIF agreements are presented on the financial statements as Payments in Lieu of Taxes.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2023

**Note 9 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Restated Balance 6/30/2022	Additions	Deletions	Balance 6/30/2023
<b>Governmental Activities</b>				
<b><i>Capital Assets, not being Depreciated:</i></b>				
Land	\$1,296,395	\$0	\$0	\$1,296,395
Construction in Progress	230,000	1,193,434	(341,800)	1,081,634
<i>Total Capital Assets, not being depreciated</i>	<u>1,526,395</u>	<u>1,193,434</u>	<u>(341,800)</u>	<u>2,378,029</u>
<b><i>Capital Assets, being Depreciated/Amortized:</i></b>				
Buildings and Improvements	57,128,261	912,877	0	58,041,138
Furniture and Equipment	7,202,975	1,229,657	(265,333)	8,167,299
Vehicles	653,740	33,373	0	687,113
Intangible Right to Use - Subscriptions**	250,654	128,996	0	379,650
<i>Total Capital Assets, being Depreciated/Amortized</i>	<u>65,235,630</u>	<u>2,304,903</u>	<u>(265,333)</u>	<u>67,275,200</u>
<b><i>Less Accumulated Depreciation/Amortization:</i></b>				
Buildings and Improvements	(29,602,168)	(1,284,577)	0	(30,886,745)
Furniture and Equipment	(4,657,346)	(717,437)	245,443	(5,129,340)
Vehicles	(484,012)	(55,357)	0	(539,369)
Intangible Right to Use - Subscriptions**	0	(153,193)	0	(153,193)
<i>Total Accumulated Depreciation/Amortization</i>	<u>(34,743,526)</u>	<u>(2,210,564) *</u>	<u>245,443</u>	<u>(36,708,647)</u>
Total Capital Assets, being Depreciated/Amortized	<u>30,492,104</u>	<u>94,339</u>	<u>(19,890)</u>	<u>30,566,553</u>
Governmental Activities Capital Assets, Net	<u>\$32,018,499</u>	<u>\$1,287,773</u>	<u>(\$361,690)</u>	<u>\$32,944,582</u>

\* Depreciation/amortization expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,336,475
Special	41,002
Vocational	29,947
Support Services:	
Pupils	23,611
Instructional Staff	49,588
Administration	19,124
Business	348
Operation and Maintenance of Plant	570,534
Pupil Transportation	1,300
Central	39,786
Food Service Operations	43,956
Extracurricular Activities	54,893
Total Depreciation/Amortization Expense	<u>\$2,210,564</u>

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

\*\* Of the current year depreciation/amortization total of \$2,210,564, \$120,315 and \$32,878 are presented as regular instruction and central support services expenses, respectively, on the Statement of Activities related to the School District's Intangible Right to Use Subscription Assets.

**Note 10 – Defined Benefit Pension Plans**

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

***Net Pension Liability/Net OPEB Liability (Asset)***

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

The net pension/OPEB liability (asset) represents the School 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 School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

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 include 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 health care to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 11 for the required OPEB disclosures.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

***School Employees Retirement System (SERS)***

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

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 2.5 percent COLA for calendar year 2023.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District’s contractually required contribution to SERS was \$1,209,500 for fiscal year 2023. Of this amount \$123,163 is reported as an intergovernmental payable.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

***State Teachers Retirement System (STRS)***

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple employer public employee 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](http://www.strsoh.org).

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients’ base benefit and past cost of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be 5 years of service credit and age 65, or 35 years of service credit at any age.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be 5 years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

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

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

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2023 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$3,431,512 for fiscal year 2023. Of this amount \$571,521 is reported as an intergovernmental 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Date	0.22076670%	0.18000581%	
Prior Measurement Date	<u>0.22356900%</u>	<u>0.17768632%</u>	
Change in Proportionate Share	<u>-0.00280230%</u>	<u>0.00231949%</u>	
Proportionate Share of the Net Pension Liability	\$11,940,781	\$40,015,519	\$51,956,300
Pension Expense	\$543,045	\$5,175,627	\$5,718,672

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2023

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$483,611	\$512,250	\$995,861
Changes of assumptions	117,821	4,788,656	4,906,477
Net difference between projected and actual earnings on pension plan investments	0	1,392,453	1,392,453
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	30,208	1,069,926	1,100,134
School District contributions subsequent to the measurement date	1,209,500	3,431,512	4,641,012
<b>Total Deferred Outflows of Resources</b>	<b>\$1,841,140</b>	<b>\$11,194,797</b>	<b>\$13,035,937</b>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$78,388	\$153,072	\$231,460
Changes of assumptions	0	3,604,481	3,604,481
Net difference between projected and actual earnings on pension plan investments	416,678	0	416,678
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	108,859	57,334	166,193
<b>Total Deferred Inflows of Resources</b>	<b>\$603,925</b>	<b>\$3,814,887</b>	<b>\$4,418,812</b>

\$4,641,012 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. 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:			
2024	\$24,326	\$497,677	\$522,003
2025	(93,829)	162,846	69,017
2026	(595,235)	(770,350)	(1,365,585)
2027	692,453	4,058,225	4,750,678
<b>Total</b>	<b>\$27,715</b>	<b>\$3,948,398</b>	<b>\$3,976,113</b>

***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.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

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, 2022, are presented as follows:

	June 30, 2022
Inflation	2.4 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 percent to 13.58 percent 2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. See table on the following page for more specific information.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	<u>100.00 %</u>	

**Discount Rate** The total pension liability for 2022 was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$17,576,259	\$11,940,781	\$7,192,966

**Actuarial Assumptions – STRS**

Key methods and assumptions used in the June 30, 2022, actuarial valuation are presented as follows:

	June 30, 2022
Inflation	2.50 percent
Salary increases	From 2.5 percent to 12.5 percent based on age
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

For 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For 2021, post-retirement mortality rates are based on RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates, thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

<u>Asset Class</u>	<u>Target Allocation *</u>	<u>Long-Term Expected Rate of Return **</u>
Domestic Equity	26.00%	6.60%
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	<u>100.00%</u>	

\* Target allocation percentage is effective July 1, 2022.

Target weights were phased in over a 3 month period concluding on October 1, 2022

\*\* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described previously. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$60,448,881	\$40,015,519	\$22,735,220

**Note 11 – Defined Benefit OPEB Plans**

See Note 10 for a description of the net OPEB liability (asset).

***School Employees Retirement System (SERS)***

**Health Care Plan Description** – The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides health care 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. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report, which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

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

**Funding Policy** – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, no allocation was made to

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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 2023, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer’s SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the School District’s surcharge obligation was \$160,483.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District’s contractually required contribution to SERS was \$160,483 for fiscal year 2023, which is reported as an intergovernmental payable.

***State Teachers Retirement System (STRS)***

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to postemployment health care.

***OPEB Liability (Asset), 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, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.22568680%	0.18000581%	
Prior Measurement Date	<u>0.22977830%</u>	<u>0.17768632%</u>	
Change in Proportionate Share	<u>-0.00409150%</u>	<u>0.00231949%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$3,168,666	\$0	\$3,168,666
Net OPEB (Asset)	\$0	(\$4,660,949)	(\$4,660,949)
OPEB Expense	(\$212,359)	(\$788,078)	(\$1,000,437)

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2023

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$26,637	\$67,567	\$94,204
Changes of assumptions	504,017	198,541	702,558
Net difference between projected and actual earnings on OPEB plan investments	16,469	81,136	97,605
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	149,176	84,204	233,380
School District contributions subsequent to the measurement date	160,483	0	160,483
<b>Total Deferred Outflows of Resources</b>	<b>\$856,782</b>	<b>\$431,448</b>	<b>\$1,288,230</b>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$2,026,912	\$699,985	\$2,726,897
Changes of assumptions	1,300,761	3,305,061	4,605,822
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	260,262	2,485	262,747
<b>Total Deferred Inflows of Resources</b>	<b>\$3,587,935</b>	<b>\$4,007,531</b>	<b>\$7,595,466</b>

\$160,483 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase to the net OPEB asset in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	(\$633,192)	(\$1,017,174)	(\$1,650,366)
2025	(631,959)	(1,029,850)	(1,661,809)
2026	(577,180)	(496,699)	(1,073,879)
2027	(381,549)	(208,024)	(589,573)
2028	(252,949)	(272,123)	(525,072)
Thereafter	(414,807)	(552,213)	(967,020)
<b>Total</b>	<b>(\$2,891,636)</b>	<b>(\$3,576,083)</b>	<b>(\$6,467,719)</b>

***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.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2022, are presented as follows:

	<u>June 30, 2022</u>
Inflation	2.40 percent
Future Salary Increases, including inflation Wage Increases	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Fiduciary Net Position is Projected to be Depleted	2044
Municipal Bond Index Rate:	
Measurement Date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.08 percent
Prior Measurement Date	2.27 percent
Health Care Cost Trend Rate	
Medicare	5.125 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent
Medical Trend Assumption	7.00 to 4.40 percent

Mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives were based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

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

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2023*

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-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, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 10.

**Discount Rate** The discount rate used to measure the total OPEB liability at June 30, 2022, was 4.08 percent. The discount rate used to measure total OPEB liability prior to June 30, 2021, was 2.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022, and the June 30, 2021, total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69 percent at June 30, 2022, and 1.92 percent at June 30, 2021.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates** The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability and what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.08 percent) and higher (5.08 percent) than the current discount rate (4.08 percent). Also shown is what the net OPEB liability would be based on health care cost trend rates that are one percentage point lower (6.00 percent decreasing to 3.40 percent) and higher (8.00 percent decreasing to 5.40 percent) than the current rate.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
School District's proportionate share of the net OPEB liability	\$3,935,531	\$3,168,666	\$2,549,598

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$2,443,610	\$3,168,666	\$4,115,707

***Actuarial Assumptions – STRS***

Key methods and assumptions used in the June 30, 2022, actuarial valuation and the June 30, 2021, actuarial valuation are presented as follows:

	June 30, 2022	June 30, 2021
Projected Salary Increases	Varies by service from 2.5 percent to 8.5 percent	Varies by age from 2.5 percent to 12.50 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends:		
Medical:		
Pre-Medicare	7.50 percent initial 3.94 percent ultimate	5.00 percent initial 4 percent ultimate
Medicare	-68.78 percent initial 3.94 percent ultimate	-16.18 percent initial 4 percent ultimate
Prescription Drug:		
Pre-Medicare	9.00 percent initial 3.94 percent ultimate	6.50 percent initial 4 percent ultimate
Medicare	-5.47 percent initial 3.94 percent ultimate	29.98 percent initial 4 percent ultimate

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

For 2022, healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For 2021, healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 10.

**Discount Rate** The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate** The following table represents the net OPEB asset as of June 30, 2022, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net OPEB (asset)	(\$4,308,925)	(\$4,660,949)	(\$4,962,488)
	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB (asset)	(\$4,834,538)	(\$4,660,949)	(\$4,441,836)

**Note 12 – Other Employee Benefits**

***Compensated Absences***

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn 5 to 20 days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators, who are not on a 12 month contract, 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 at various levels based on negotiated agreements or administrative guidelines. Upon retirement, payment is made to certificated staff for one-fourth of the total sick leave accumulation, up to a maximum specified in the negotiated agreement. For classified staff, exempt employees, and administrators, payment is made for one-third of the total sick leave accumulation, up to a maximum specified in the negotiated agreement or administrative guidelines.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

***Health Insurance Benefits***

The School District provides employee medical/surgical benefits through Stark County Schools Council of Governments' shared risk pool. Rates are set through an annual calculation process. The School District pays a monthly contribution to a common fund from which claim payments are made for all participating school districts. The employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. Dental and vision insurance are also provided by the School District to all employees through the Stark County Schools Council of Governments. Upon termination, all School District claims would be paid without regard to the School District's account balance.

***Life Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through a major life insurance company in the amount of \$50,000 for all noncertified and certified employees and double the annual salary rounded to the nearest thousand for administrators including the treasurer. The life insurance coverage for the superintendent is in the amount of \$500,000.

**Note 13 – Contingencies**

***Litigation***

The Nordonia Hills City School District is not party to legal proceedings.

***Grants***

The School District received financial assistance from Federal and State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2023, if applicable, cannot be determined at this time.

***School Foundation***

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education and Workforce is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. The Ohio Department of Education and Workforce's final FTE adjustment did not have a material impact on the School District's financial statements.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2023

**Note 14 – Long-Term Obligations**

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

	Principal Outstanding 6/30/22	Additions	Reductions	Principal Outstanding 6/30/23	Amount Due in One Year
<b>General Obligation Bonds:</b>					
2013 Energy Conservation Bonds (3.39%):					
Serial Bonds	\$388,789	\$0	(\$50,144)	\$338,645	\$51,843
2015 School Improvement Refunding Bonds (4.6%):					
Serial Bonds	20,000	0	(5,000)	15,000	5,000
Premium	493,797	0	(141,085)	352,712	0
2015 Athletic Facilities Refunding Bonds (4.24%):					
Serial Bonds	3,140,000	0	(295,000)	2,845,000	305,000
Premium	247,288	0	(29,092)	218,196	0
2017 School Improvement Refunding Bonds (2.38%):					
Term Bonds	9,035,000	0	(2,605,000)	6,430,000	2,665,000
<b>Total General Obligation Bonds</b>	<b>13,324,874</b>	<b>0</b>	<b>(3,125,321)</b>	<b>10,199,553</b>	<b>3,026,843</b>
<b>Other Long-Term Obligations:</b>					
Net Pension Liability:					
SERS	8,249,048	3,691,733	0	11,940,781	0
STRS	22,718,791	17,296,728	0	40,015,519	0
<b>Total Net Pension Liability</b>	<b>30,967,839</b>	<b>20,988,461</b>	<b>0</b>	<b>51,956,300</b>	<b>0</b>
Net OPEB Liability:					
SERS	4,348,743	0	(1,180,077)	3,168,666	0
Financed Purchases from direct borrowing	0	309,067	0	309,067	86,173
Subscriptions Payable	0	128,996	(128,996)	0	0
Compensated Absences	4,476,413	61,889	(185,906)	4,352,396	250,533
Asset Retirement Obligation	90,000	0	0	90,000	0
<b>Total Other Long-Term Obligations</b>	<b>39,882,995</b>	<b>21,488,413</b>	<b>(1,494,979)</b>	<b>59,876,429</b>	<b>336,706</b>
<b>Total Governmental Activities</b>					
<b>Long-Term Liabilities</b>	<b>\$53,207,869</b>	<b>\$21,488,413</b>	<b>(\$4,620,300)</b>	<b>\$70,075,982</b>	<b>\$3,363,549</b>

All general obligation bonds will be paid from property taxes in the debt service fund. The financed purchases, subscription payables, and asset retirement obligation will be paid from the general fund. There is no repayment schedule for the net pension and OPEB liabilities; however, employer pension and OPEB contributions are made from the general fund and the food service and reducing class size special revenue funds. For additional information related to the net pension and OPEB liabilities see Notes 10 and 11. The compensated absences are to be paid from the general fund and the food service special revenue fund.

On September 11, 2013, the School District issued \$729,744 in energy conservation bonds which were used for the modification and remodeling of School District buildings to conserve energy. These bonds will be paid from the bond retirement debt service fund and were issued for a 15 year period with final maturity in fiscal year 2029.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2023*

On August 8, 2014, the School District issued \$10,485,000 in serial school improvement bonds to advance refund \$10,890,000 of outstanding 2006 bonds in order to take advantage of lower interest rates. The bonds were issued for a 21 year period with a final maturity at December 1, 2025. The refunding bonds were sold at a premium of \$1,598,963. Net proceeds of \$11,937,668 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the 2006 bonds. As a result, \$10,890,000 of these refunded bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the School District's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. At June 30, 2023, \$30,000 of the defeased bonds are still outstanding.

On March 12, 2015, the School District issued \$4,490,000 in serial athletic facilities bonds to advance refund \$4,490,000 of outstanding 2009 athletic facilities bonds in order to take advantage of lower interest rates. The bonds were issued for a 16 year period with a final maturity at December 1, 2030. The refunding bonds were sold at a premium of \$458,205. Net proceeds of \$4,849,104 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the 2009 bonds. As a result, \$4,490,000 of these refunded bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the School District's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. At June 30, 2023, \$2,880,000 of the defeased bonds are still outstanding.

On April 4, 2017, the School District issued \$9,805,000 in term school improvement refunding bonds to refund \$9,805,000 of outstanding 2006 refunding bonds in order to take advantage of lower interest rates. The bonds were issued for a nine year period with a final maturity at December 1, 2025. Net proceeds of \$9,998,649 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the 2006 bonds. As a result, \$9,805,000 of these refunded bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the School District's financial statements. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. At June 30, 2023, \$7,350,000 of the defeased bonds are still outstanding.

The term bonds are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 of the years and in the respective principal amounts as follows:

Fiscal Year	Issue
	Principal Amount to be Redeemed
2024	\$2,665,000
2025	2,730,000

The remaining principal amount of the bonds (\$1,035,000) will mature at stated maturity in fiscal year 2026, on December 1, 2025.

On February 13, 2023, the School District financed \$80,246 to purchase copiers through De Lage Landen Public Finance LLC. The interest rate of this financed purchase is 7.42 percent, and the financed purchase matures on June 30, 2028.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

On June 1, 2023, the School District financed \$228,821 to purchase laptops through HPE Financial Services. The interest rate of this financed purchase is 5.25 percent, and the financed purchase matures on August 10, 2025.

The School District has various outstanding contracts to use a SBITA vendor's IT software, including various network security software. The future subscription payments were discounted based on the interest rate implicit in the subscriptions. This discount is being amortized using the interest method over the life of the subscription. All subscriptions were fully paid off during fiscal year 2023.

The School District's overall debt margin was \$98,309,926 with an unvoted debt margin of \$1,172,298 at June 30, 2023. Principal and interest requirements to retire general obligation bonds and capital appreciation bonds outstanding at June 30, 2023, are as follows:

	General Obligation Bonds					
	Serial		Term		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$361,843	\$125,338	\$2,665,000	\$121,321	\$3,026,843	\$246,659
2025	378,601	110,071	2,730,000	57,119	3,108,601	167,190
2026	395,418	94,107	1,035,000	12,316	1,430,418	106,423
2027	402,297	77,665	0	0	402,297	77,665
2028	419,239	60,744	0	0	419,239	60,744
2029-2031	1,241,247	77,358	0	0	1,241,247	77,358
Total	\$3,198,645	\$545,283	\$6,430,000	\$190,756	\$9,628,645	\$736,039

	Financed Purchases from Direct Borrowings	
	Principal	Interest
2024	\$86,173	\$17,505
2025	91,030	12,648
2026	96,170	7,508
2027	17,187	2,072
2028	18,507	752
Total	\$309,067	\$40,485

**Note 15 – Shared Risk Pool**

The School District is a member of the Stark County Schools Council of Governments (Council) Health Benefits Plan. The Health Benefits Plan is a shared risk pool created pursuant to State statute for the purposes of administering health care benefits. The Council is governed by an assembly, which consists of one representative from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve on the Board of Directors. The assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

**Note 16 – Jointly Governed Organizations**

***Northeast Ohio Network for Educational Technology***

The Northeast Ohio Network for Educational Technology (NEOnet) is the Information Technology Center (ITC) used by the School District. NEOnet is organized as a council of governments providing data management and computer services to school districts in Cuyahoga, Lake, Medina, Portage, and Summit counties. NEOnet employs its own fiscal officer. The purpose of NEOnet is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All districts in NEOnet are required to pay fees, charges, and assessments as charged. The Assembly is made up of Superintendents from all of the participating districts and governs NEOnet. NEOnet’s Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant’s degree of control is limited to its representation on the Board. The Assembly elects a Board of Directors consisting of nine members and is the managerial body of NEOnet and meets at least five times a year. Payments to NEOnet are made from the general fund. During fiscal year 2023, the School District contributed \$210,070 to NEOnet. Financial information can be obtained by contacting the NEOnet Fiscal Officer at 700 Graham Road, Cuyahoga Falls, Ohio 44221.

***Ohio Schools Council***

The Ohio Schools Council (Council) is a jointly governed organization among 210 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member’s superintendent serves as a representative of the Assembly. The Council’s Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant’s degree of control is limited to its representation on the Board. The Assembly elects five of the Council’s Board members and the remaining four are representatives of the Greater Cleveland School Superintendents’ Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2023, the School District paid \$7,112 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director at the Ohio Schools Council at 6393 Oak Tree Boulevard, Independence, Ohio 44131.

The School District participates in an electricity purchase program. This program allows the School District to purchase electricity with other schools as a group from First Energy Solutions. Kilowatt-hours of electric energy metered by the Electric Utility for Nordonia is billed to the School District based on a pricing schedule determined by the Ohio Schools Council, the Ohio School Board Association, the Ohio Association of School Business Officials and the Buckeye Association of School Administrators (collectively called the “P4S” or “Power4Schools”).

***Cuyahoga Valley Career Center***

The Cuyahoga Valley Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The Board of Education is comprised of representatives from the board of each participating school district. The Board is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. Nordonia Hills City School District students may attend the career center. Each school district’s

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

control is limited to its representation on the Board. During fiscal year 2023, the School District did not make any payments to the Career Center. Financial information can be obtained by contacting the Treasurer at the Cuyahoga Valley Career Center at 8001 Brecksville Road, Brecksville, Ohio 44141.

**Note 17 – Risk Management**

*Workers’ Compensation*

The School District pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

*Property and Liability*

The School District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2023, the School District contracted with Ohio School Plan for various types of insurance as follows:

Type of Coverage	Coverage Amount
Property	\$157,178,916
Flood	1,000,000
Earthquake	1,000,000
General Liability	\$5,000,000/occurrence, \$7,000,000 aggregate
Employee Benefits Liability	\$5,000,000/occurrence, \$7,000,000 aggregate
Employer's Liability	\$5,000,000/occurrence
School Leaders Professional Liability	\$5,000,000/occurrence, \$7,000,000 aggregate
Errors and Omissions	\$5,000,000/occurrence, \$7,000,000 aggregate
Law Enforcement	\$5,000,000/occurrence, \$7,000,000 aggregate
Violent Event Response	1,000,000
Automobile	5,000,000
Boiler	100,000,000
Cyber Coverage	1,000,000
Pollution	1,000,000

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

**Note 18 – Interfund Activity**

*Interfund Transfers*

Interfund transfers made during fiscal year 2023 consisted of transfers from the general fund to the other governmental funds in the amount of \$1,500,000. The transfers from the general fund were made for debt service payments, capital improvements and to provide funding for various school programs.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

***Interfund Balances***

Interfund balances as of June 30, 2023, consisted of the following:

Interfund Payable	Interfund Receivable General
<b><i>Special Revenue Funds:</i></b>	
Elementary and Secondary School Emergency Relief	\$93,107
Title VI-B	98,741
Title I	79,629
Title IV-A	421
Reducing Class Size	12,592
<i>Total Special Revenue Funds</i>	<b>\$284,490</b>

The advances totaling \$284,490 from the general fund to the various special revenue funds were made to support the activities of those funds due to the timing of grant collections. The balances are anticipated to be repaid within one year.

**Note 19 – Set-Asides**

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

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

	Capital Improvement
Set-aside Balance as of June 30, 2022	\$0
Current Year Set-aside Requirement	748,185
Current Year Offsets	(1,373,705)
Qualifying Disbursements	(598,445)
Totals	(\$1,223,965)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0
Set-aside Balance as of June 30, 2023	\$0

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

**Note 20 – Significant Commitments**

***Contractual Commitments***

The School District had the following contractual commitments outstanding at June 30, 2023:

Vendor	Contract Amount	Amount Paid	Remaining on Contract
Teamcraft Roofing, Inc.	\$1,344,939	\$0	\$1,344,939
Worner Roofing Co., Inc.	584,675	0	584,675
Total	\$1,929,614	\$0	\$1,929,614

\$1,929,614 of the remaining commitments were encumbered at fiscal year-end. The amount of \$1,081,634 in contracts payable has been capitalized.

***Encumbrances***

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year or soon thereafter were as follows:

General	\$555,331
Other Governmental Funds	2,303,104
Total	\$2,858,435

**Note 21 – Asset Retirement Obligations**

The Governmental Accounting Standard Board’s (GASB) Statement No. 83, Certain Asset Retirement Obligations, provides guidance related to asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code Section 1301-7-9 and require a School District classified as an “owner” or “operator,” to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. This asset retirement obligation (ARO) of \$90,000 associated with the School District’s underground storage tanks was estimated by the School District. The remaining useful life of these USTs is 12 years. The School District maintains insurance related to any potential pollution remediation associated with the USTs.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

**Note 22 – Changes in Accounting Principles and Restatement of Net Position**

***Changes in Accounting Principles***

For fiscal year 2023, the School District implemented Governmental Accounting Standards Board (GASB) No. 91, *Conduit Debt Obligations*, Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*.

GASB 91 clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The School District did not have any debt that met the definition of conduit debt.

GASB Statement 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The School District did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). These changes were incorporated in the School District’s 2023 financial statements. The School District recognized subscription assets of \$250,654 at July 1, 2022. There were no subscriptions payable as of July 1, 2022 because the full amount of these subscriptions was paid as of June 30, 2022.

GASB Statement 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

***Restatement of Net Position***

These adjustments for the implementation of GASB 96 resulted in the following restatement to net position as of June 30, 2022:

Net Position June 30, 2022	(\$12,511,110)
Adjustments:	
Capital Assets, Net	<u>250,654</u>
Restated Net Position June 30, 2022	<u><u>(\$12,260,456)</u></u>

**Note 23 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June of 2021, while the national state of emergency ended in April of 2023. During fiscal year 2023, the School District received COVID-19 funding. The School District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2023*

---

*(This Page Intentionally Left Blank.)*

**Required Supplementary Information**

**Nordonia Hills City School District**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net Pension Liability*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years \**

	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.22076670%	0.22356900%	0.22158960%
School District's Proportionate Share of the Net Pension Liability	\$11,940,781	\$8,249,048	\$14,656,402
School District's Covered Payroll	\$8,218,786	\$7,799,979	\$7,730,743
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	145.29%	105.76%	189.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.82%	82.86%	68.55%

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

See accompanying notes to the Required Supplementary Information

2020	2019	2018	2017	2016	2015	2014
0.22630770%	0.22081780%	0.21708660%	0.21377550%	0.20492030%	0.20203300%	0.20203300%
\$13,540,386	\$12,646,644	\$12,970,445	\$15,646,394	\$11,692,952	\$10,224,775	\$12,014,254
\$7,870,800	\$7,447,119	\$6,991,764	\$6,667,579	\$6,235,536	\$6,230,817	\$4,538,107
172.03%	169.82%	185.51%	234.66%	187.52%	164.10%	264.74%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

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

	2023	2022	2021
School District's Proportion of the Net OPEB Liability	0.22568680%	0.22977830%	0.22626550%
School District's Proportionate Share of the Net OPEB Liability	\$3,168,666	\$4,348,743	\$4,917,488
School District's Covered Payroll	\$8,218,786	\$7,799,979	\$7,730,743
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	38.55%	55.75%	63.61%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.34%	24.08%	18.17%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the Required Supplementary Information

2020	2019	2018	2017
0.23151740%	0.22376510%	0.22002550%	0.21617770%
\$5,822,175	\$6,207,849	\$5,904,907	\$6,161,864
\$7,870,800	\$7,447,119	\$6,991,764	\$6,667,579
73.97%	83.36%	84.46%	92.42%
15.57%	13.57%	12.46%	11.49%

**Nordonia Hills City School District**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net Pension Liability*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years \**

	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.18000581%	0.17768632%	0.17136726%
School District's Proportionate Share of the Net Pension Liability	\$40,015,519	\$22,718,791	\$41,464,779
School District's Covered Payroll	\$23,510,557	\$22,135,136	\$21,400,229
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	170.20%	102.64%	193.76%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90%	87.80%	75.50%

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

See accompanying notes to the Required Supplementary Information

2020	2019	2018	2017	2016	2015	2014
0.17208322%	0.16870447%	0.16509449%	0.16130569%	0.16417188%	0.15948273%	0.15948273%
\$38,055,170	\$37,094,324	\$39,218,550	\$53,993,877	\$45,372,307	\$38,791,720	\$46,208,442
\$19,573,529	\$19,252,429	\$18,404,221	\$18,223,643	\$17,171,343	\$15,994,071	\$17,009,954
194.42%	192.67%	213.10%	296.28%	264.23%	242.54%	271.66%
77.40%	77.30%	75.30%	66.80%	72.10%	74.70%	69.30%

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

	2023	2022	2021
School District's Proportion of the Net OPEB Liability (Asset)	0.18000581%	0.17768632%	0.17136726%
School District's Proportionate Share of the Net OPEB Liability (Asset)	(\$4,660,949)	(\$3,746,369)	(\$3,011,777)
School District's Covered Payroll	\$23,510,557	\$22,135,136	\$21,400,229
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-19.82%	-16.92%	-14.07%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	230.70%	174.70%	182.10%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the Required Supplementary Information

2020	2019	2018	2017
0.17208322%	0.16870447%	0.16509449%	0.16130569%
(\$2,850,112)	(\$2,710,908)	\$6,441,377	\$8,626,670
\$19,573,529	\$19,252,429	\$18,404,221	\$18,223,643
-14.56%	-14.08%	35.00%	47.34%
174.70%	176.00%	47.10%	37.30%

**Nordonia Hills City School District**  
*Required Supplementary Information*  
*Schedule of School District Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2023	2022	2021	2020
<b>Net Pension Liability:</b>				
Contractually Required Contribution	\$1,209,500	\$1,150,630	\$1,091,997	\$1,082,304
Contributions in Relation to the Contractually Required Contribution	<u>(1,209,500)</u>	<u>(1,150,630)</u>	<u>(1,091,997)</u>	<u>(1,082,304)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$8,639,286	\$8,218,786	\$7,799,979	\$7,730,743
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability:</b>				
Contractually Required Contribution (2)	\$160,483	\$147,135	\$144,147	\$127,964
Contributions in Relation to the Contractually Required Contribution	<u>(160,483)</u>	<u>(147,135)</u>	<u>(144,147)</u>	<u>(127,964)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>1.86%</u>	<u>1.79%</u>	<u>1.85%</u>	<u>1.66%</u>
Total Contributions as a Percentage of Covered Payroll (2)	<u>15.86%</u>	<u>15.79%</u>	<u>15.85%</u>	<u>15.66%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

(2) Includes Surcharge

See accompanying notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
\$1,062,558	\$1,005,361	\$978,847	\$933,461	\$821,844	\$816,237
(1,062,558)	(1,005,361)	(978,847)	(933,461)	(821,844)	(816,237)
\$0	\$0	\$0	\$0	\$0	\$0
\$7,870,800	\$7,447,119	\$6,991,764	\$6,667,579	\$6,235,536	\$6,230,817
13.50%	13.50%	14.00%	14.00%	13.18%	13.10%
\$178,774	\$159,630	\$118,683	\$107,412	\$146,348	\$107,461
(178,774)	(159,630)	(118,683)	(107,412)	(146,348)	(107,461)
\$0	\$0	\$0	\$0	\$0	\$0
2.27%	2.14%	1.70%	1.61%	2.35%	1.72%
15.77%	15.64%	15.70%	15.61%	15.53%	14.82%

**Nordonia Hills City School District**  
*Required Supplementary Information*  
*Schedule of School District Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2023	2022	2021	2020
<b>Net Pension Liability:</b>				
Contractually Required Contribution	\$3,431,512	\$3,291,478	\$3,098,919	\$2,996,032
Contributions in Relation to the Contractually Required Contribution	<u>(3,431,512)</u>	<u>(3,291,478)</u>	<u>(3,098,919)</u>	<u>(2,996,032)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$24,510,800	\$23,510,557	\$22,135,136	\$21,400,229
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability:</b>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to the Required Supplementary Information

2019	2018	2017	2016	2015	2014
\$2,740,294	\$2,695,340	\$2,576,591	\$2,551,310	\$2,403,988	\$2,079,229
(2,740,294)	(2,695,340)	(2,576,591)	(2,551,310)	(2,403,988)	(2,079,229)
\$0	\$0	\$0	\$0	\$0	\$0
\$19,573,529	\$19,252,429	\$18,404,221	\$18,223,643	\$17,171,343	\$15,994,071
14.00%	14.00%	14.00%	14.00%	14.00%	13.00%
\$0	\$0	\$0	\$0	\$0	\$159,941
0	0	0	0	0	(159,941)
\$0	\$0	\$0	\$0	\$0	\$0
0.00%	0.00%	0.00%	0.00%	0.00%	1.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

## Nordonia Hills City School District, Ohio

Notes to Required Supplementary Information  
For the Fiscal Year Ended June 30, 2023

### Net Pension Liability

#### Changes in Assumptions – SERS

Beginning in fiscal year 2018, on each anniversary of the initial retirement, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0 percent nor greater than 2.5 percent. The COLA was suspended for 2018-2020. Prior to 2018, an assumption of 3 percent was used.

Beginning in fiscal year 2022, amounts reported incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in prior years are presented below:

	<u>Fiscal Year 2022</u>	<u>Fiscal Years 2021-2017</u>	<u>Fiscal Year 2016 and Prior</u>
Wage Inflation	2.4 percent	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.0 percent net of system expenses	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning in 2022, amounts reported use mortality rates based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Amounts report for 2017 through 2021 use mortality rates that are 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. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

#### Changes in Assumptions - STRS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal years 2018-2021 and fiscal year 2017 and prior are presented below:

**Nordonia Hills City School District, Ohio**  
*Notes to Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2023*

	Fiscal Year 2022	Fiscal Years 2021-2018	Fiscal Year 2017 and Prior
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	From 2.5 percent to 12.5 percent based on age	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013 or later, 2 percent COLA commences on fifth anniversary of retirement date

Beginning with fiscal year 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Beginning with fiscal year 2018, post-retirement mortality rates for healthy retirees were based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

**Changes in Benefit Term – STRS**

For fiscal year 2023, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient’s retirement date for those eligible during fiscal year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

## Nordonia Hills City School District, Ohio

Notes to Required Supplementary Information  
For the Fiscal Year Ended June 30, 2023

### Net OPEB Liability

#### Changes in Assumptions – SERS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by SERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

	2022	2021 and Prior
Inflation	2.40 percent	3.00 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation	7.50 percent net of investment expense, including inflation

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

#### Municipal Bond Index Rate:

Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

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

Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

#### Changes in Assumptions – STRS

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

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

## **Nordonia Hills City School District, Ohio**

### *Notes to Required Supplementary Information*

*For the Fiscal Year Ended June 30, 2023*

---

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

For fiscal year 2023, the projected salary increases were changed from age based (2.5 percent to 12.50 percent) to service based (2.5 percent to 8.5 percent.)

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

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

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

For fiscal year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

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

For fiscal year 2022, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2022 premium based on June 30, 2021 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2023, healthcare trends were updated to reflect emerging claims and recoveries experience.

# Combining and Individual Fund Statements and Schedules

## Combining Statements – Nonmajor Governmental Funds

### *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. Following is a description of the School District's nonmajor special revenue funds:

***Food Service Fund*** – To account for and report restricted grants and charges for services related to the food service operations of the School District.

***Other Grants Fund*** – To account for and report restricted donations to the School District for miscellaneous purposes.

***High School Bookstore Fund*** – To account for and report committed funds received from and for the use of the activities of the high school bookstore.

***Student Activities Fund*** – To account for and report resources restricted to the student bodies of the various schools, accounting for sales and other revenue generating activities for which the School District has administrative involvement.

***District Managed Activities Fund*** – To account for and report gate receipts and other restricted revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's Athletic Program and transportation of the band to and from athletic events.

***Data Communication Fund*** – To account for and report restricted grant monies appropriated for Ohio Educational Computer Network Connections.

***Miscellaneous State Grants Fund*** – To account for and report restricted grant monies from the State appropriated for miscellaneous purposes.

***Elementary and Secondary School Emergency Relief (ESSER) Fund*** – To account for and report restricted emergency COVID-19 pandemic relief grants to school districts for the coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure and purchasing technology for students.

***Title VI-B Fund*** – To account for and report restricted Federal revenues that assist states in identification of handicapped children and provide full educational opportunities to handicapped children at the preschool, elementary and secondary levels. It also accounts for Federal monies used to implement a variety of programs intended to provide instruction for early childhood education.

***Limited English Proficiency Fund*** – To account for and report restricted monies used for elementary and secondary school programs with the purpose of meeting the educational needs of students with limited English proficiency.

***Title I Fund*** – To account for and report restricted Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

***Title IV-A Fund*** – To account for and report restricted grant monies for student academic enrichment programs.

***Preschool for Handicapped Fund*** – To account for and report restricted grant monies to address the improvement and expansion of services for handicapped children ages three through five years.

(continued)

## Combining Statements – Nonmajor Governmental Funds (continued)

***Reducing Class Size Fund*** – To account for and report restricted grant monies to hire additional classroom teachers so the number of students per teacher will be reduced.

***Miscellaneous Federal Grants Fund*** – To account for and report restricted grant monies from federal sources appropriated for miscellaneous purposes.

***Public School Support Fund*** – To account for and report school site sales revenue and expenditure for field trips, assemblies and other activity costs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

### ***Nonmajor Debt Service Fund***

The Debt Service Fund is used to account for and report the financial resources that are restricted, committed or assigned to expenditure for principal and interest.

***Bond Retirement Fund*** – To account for and report the accumulation of property tax revenues restricted for the payment of general obligation bonds issued for school building and athletic facility improvements.

### ***Nonmajor Capital Projects Funds***

The Capital Projects Funds are used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the nonmajor capital projects funds:

***Permanent Improvement Fund*** – To account for and report transfers committed to the acquisition or construction of capital permanent improvements.

***Building Fund*** – To account for and report restricted rentals and donations used for the building, restoration or improvement of the School District property.

**Nordonia Hills City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,074,687	\$1,755,463	\$3,847,552	\$7,677,702
Accounts Receivable	1,317	0	0	1,317
Intergovernmental Receivable	338,870	0	0	338,870
Inventory Held for Resale	10,736	0	0	10,736
Materials and Supplies Inventory	5,924	0	0	5,924
Property Taxes Receivable	0	2,957,807	0	2,957,807
<i>Total Assets</i>	<u>\$2,431,534</u>	<u>\$4,713,270</u>	<u>\$3,847,552</u>	<u>\$10,992,356</u>
<b>Liabilities</b>				
Accounts Payable	\$47,208	\$0	\$0	\$47,208
Accrued Wages and Benefits	94,531	0	0	94,531
Contracts Payable	0	0	1,081,634	1,081,634
Intergovernmental Payable	34,703	0	0	34,703
Interfund Payable	284,490	0	0	284,490
Matured Compensated Absences Payable	11,134	0	0	11,134
Unearned Revenue	376,336	0	0	376,336
<i>Total Liabilities</i>	<u>848,402</u>	<u>0</u>	<u>1,081,634</u>	<u>1,930,036</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	2,250,089	0	2,250,089
Unavailable Revenue	48,139	31,434	0	79,573
<i>Total Deferred Inflows of Resources</i>	<u>48,139</u>	<u>2,281,523</u>	<u>0</u>	<u>2,329,662</u>
<b>Fund Balances</b>				
Nonspendable	5,924	0	0	5,924
Restricted	1,572,305	2,431,747	13,887	4,017,939
Committed	4,903	0	2,752,031	2,756,934
Unassigned (Deficit)	(48,139)	0	0	(48,139)
<i>Total Fund Balances</i>	<u>1,534,993</u>	<u>2,431,747</u>	<u>2,765,918</u>	<u>6,732,658</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,431,534</u>	<u>\$4,713,270</u>	<u>\$3,847,552</u>	<u>\$10,992,356</u>

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2023*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$0	\$3,382,331	\$0	\$3,382,331
Intergovernmental	3,430,526	377,529	0	3,808,055
Investment Earnings/Interest	30,292	0	0	30,292
Tuition and Fees	919	0	0	919
Charges for Services	956,499	0	0	956,499
Extracurricular Activities	752,285	0	0	752,285
Contributions and Donations	93,892	0	0	93,892
Rentals	1,622	0	4,364	5,986
Miscellaneous	45	0	459	504
<i>Total Revenues</i>	<u>5,266,080</u>	<u>3,759,860</u>	<u>4,823</u>	<u>9,030,763</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	648,018	0	95,280	743,298
Special	772,863	0	0	772,863
Vocational	8,825	0	0	8,825
Support Services:				
Pupils	167,885	0	0	167,885
Instructional Staff	54,789	0	0	54,789
Administration	25,791	0	0	25,791
Fiscal	0	44,051	0	44,051
Operation and Maintenance of Plant	223,664	0	1,442,877	1,666,541
Pupil Transportation	420,107	0	0	420,107
Central	10,800	0	0	10,800
Operation of Non-Instructional Services	49,741	0	0	49,741
Food Service Operations	1,375,405	0	0	1,375,405
Extracurricular Activities	823,736	0	27,796	851,532
Capital Outlay	0	0	995	995
Debt Service:				
Principal Retirement	0	2,955,144	0	2,955,144
Interest	0	324,051	0	324,051
<i>Total Expenditures</i>	<u>4,581,624</u>	<u>3,323,246</u>	<u>1,566,948</u>	<u>9,471,818</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	684,456	436,614	(1,562,125)	(441,055)
<b>Other Financing Sources (Uses)</b>				
Transfers In	63,821	62,474	1,373,705	1,500,000
<i>Net Change in Fund Balances</i>	748,277	499,088	(188,420)	1,058,945
<i>Fund Balances Beginning of Year</i>	<u>786,716</u>	<u>1,932,659</u>	<u>2,954,338</u>	<u>5,673,713</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,534,993</u></u>	<u><u>\$2,431,747</u></u>	<u><u>\$2,765,918</u></u>	<u><u>\$6,732,658</u></u>

**Nordonia Hills City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2023*

	Food Service	Other Grants	High School Bookstore
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,211,773	\$43,490	\$4,903
Accounts Receivable	1,317	0	0
Intergovernmental Receivable	0	0	0
Inventory Held for Resale	10,736	0	0
Materials and Supplies Inventory	5,924	0	0
<i>Total Assets</i>	<u>\$1,229,750</u>	<u>\$43,490</u>	<u>\$4,903</u>
<b>Liabilities</b>			
Accounts Payable	\$549	\$0	\$0
Accrued Wages and Benefits	86,523	0	0
Intergovernmental Payable	33,290	0	0
Interfund Payable	0	0	0
Matured Compensated Absences Payable	11,134	0	0
Unearned Revenue	0	0	0
<i>Total Liabilities</i>	<u>131,496</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>			
Unavailable Revenue	0	0	0
<b>Fund Balances</b>			
Nonspendable	5,924	0	0
Restricted	1,092,330	43,490	0
Committed	0	0	4,903
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>1,098,254</u>	<u>43,490</u>	<u>4,903</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,229,750</u>	<u>\$43,490</u>	<u>\$4,903</u>

Student Activities	District Managed Activities	Data Communication	Miscellaneous State Grants	Elementary and Secondary School Emergency Relief
\$167,399	\$230,285	\$0	\$35,648	\$0
0	0	0	0	0
0	0	277	2,634	93,107
0	0	0	0	0
0	0	0	0	0
<u>\$167,399</u>	<u>\$230,285</u>	<u>\$277</u>	<u>\$38,282</u>	<u>\$93,107</u>
\$3,184	\$4,757	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	93,107
0	0	0	0	0
0	0	0	0	0
<u>3,184</u>	<u>4,757</u>	<u>0</u>	<u>0</u>	<u>93,107</u>
0	0	0	0	0
0	0	0	0	0
164,215	225,528	277	38,282	0
0	0	0	0	0
0	0	0	0	0
<u>164,215</u>	<u>225,528</u>	<u>277</u>	<u>38,282</u>	<u>0</u>
<u>\$167,399</u>	<u>\$230,285</u>	<u>\$277</u>	<u>\$38,282</u>	<u>\$93,107</u>

(continued)

**Nordonia Hills City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2023*

	Title VI-B	Limited English Proficiency	Title I
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$4,853	\$0
Accounts Receivable	0	0	0
Intergovernmental Receivable	137,459	3,330	79,629
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$137,459</u>	<u>\$8,183</u>	<u>\$79,629</u>
<b>Liabilities</b>			
Accounts Payable	\$38,718	\$0	\$0
Accrued Wages and Benefits	0	0	0
Intergovernmental Payable	0	0	0
Interfund Payable	98,741	0	79,629
Matured Compensated Absences Payable	0	0	0
Unearned Revenue	0	0	0
<i>Total Liabilities</i>	<u>137,459</u>	<u>0</u>	<u>79,629</u>
<b>Deferred Inflows of Resources</b>			
Unavailable Revenue	38,718	0	0
<b>Fund Balances</b>			
Nonspendable	0	0	0
Restricted	0	8,183	0
Committed	0	0	0
Unassigned (Deficit)	(38,718)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(38,718)</u>	<u>8,183</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$137,459</u>	<u>\$8,183</u>	<u>\$79,629</u>

Title IV-A	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$376,336	\$2,074,687
0	0	0	1,317
421	22,013	0	338,870
0	0	0	10,736
0	0	0	5,924
\$421	\$22,013	\$376,336	\$2,431,534
\$0	\$0	\$0	\$47,208
0	8,008	0	94,531
0	1,413	0	34,703
421	12,592	0	284,490
0	0	0	11,134
0	0	376,336	376,336
421	22,013	376,336	848,402
0	9,421		48,139
0	0	0	5,924
0	0	0	1,572,305
0	0	0	4,903
0	(9,421)	0	(48,139)
0	(9,421)	0	1,534,993
\$421	\$22,013	\$376,336	\$2,431,534

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2023*

	Food Service	Other Grants	High School Bookstore	Student Activities
<b>Revenues</b>				
Intergovernmental	\$621,136	\$0	\$0	\$0
Investment Earnings/Interest	30,292	0	0	0
Tuition and Fees	0	0	919	0
Charges for Services	956,499	0	0	0
Extracurricular Activities	0	0	0	277,930
Contributions and Donations	0	72,461	0	20,426
Rentals	0	0	0	0
Miscellaneous	0	45	0	0
<i>Total Revenues</i>	<u>1,607,927</u>	<u>72,506</u>	<u>919</u>	<u>298,356</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	22,971	3,482	188
Special	0	1,495	0	0
Vocational	0	0	0	8,825
Support Services:				
Pupils	0	8,085	0	0
Instructional Staff	0	14	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	18,200	0	0
Food Service Operations	1,375,405	0	0	0
Extracurricular Activities	0	14,800	0	257,761
<i>Total Expenditures</i>	<u>1,375,405</u>	<u>65,565</u>	<u>3,482</u>	<u>266,774</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	232,522	6,941	(2,563)	31,582
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	3,821	0	0
<i>Net Change in Fund Balances</i>	232,522	10,762	(2,563)	31,582
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>865,732</u>	<u>32,728</u>	<u>7,466</u>	<u>132,633</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,098,254</u>	<u>\$43,490</u>	<u>\$4,903</u>	<u>\$164,215</u>

District Managed Activities	Data Communication	Miscellaneous State Grants	Elementary and Secondary School Emergency Relief	Title VI-B
\$0	\$11,077	\$63,222	\$704,153	\$1,312,429
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
474,355	0	0	0	0
1,005	0	0	0	0
1,622	0	0	0	0
0	0	0	0	0
476,982	11,077	63,222	704,153	1,312,429
0	0	0	324,630	0
0	0	0	39,955	698,256
0	0	0	0	0
0	0	24,940	0	134,860
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	4,233	415,874
0	10,800	0	0	0
0	0	0	0	22,795
0	0	0	0	0
551,175	0	0	0	0
551,175	10,800	24,940	368,818	1,271,785
(74,193)	277	38,282	335,335	40,644
60,000	0	0	0	0
(14,193)	277	38,282	335,335	40,644
239,721	0	0	(335,335)	(79,362)
\$225,528	\$277	\$38,282	\$0	(\$38,718)

(continued)

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2023*

	Limited English Proficiency	Title I	Title IV-A	Preschool for Handicapped
<b>Revenues</b>				
Intergovernmental	\$3,330	\$373,041	\$20,791	\$29,827
Investment Earnings/Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Charges for Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>3,330</u>	<u>373,041</u>	<u>20,791</u>	<u>29,827</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	280,000	0	0
Special	3,330	0	0	29,827
Vocational	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	5,000	20,791	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	1,692	0	0
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>3,330</u>	<u>286,692</u>	<u>20,791</u>	<u>29,827</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	86,349	0	0
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	0	86,349	0	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>8,183</u>	<u>(86,349)</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$8,183</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$67,856	\$223,664	\$3,430,526
0	0	30,292
0	0	919
0	0	956,499
0	0	752,285
0	0	93,892
0	0	1,622
0	0	45
<u>67,856</u>	<u>223,664</u>	<u>5,266,080</u>
16,747	0	648,018
0	0	772,863
0	0	8,825
0	0	167,885
54,775	0	54,789
0	0	25,791
0	223,664	223,664
0	0	420,107
0	0	10,800
7,054	0	49,741
0	0	1,375,405
0	0	823,736
<u>78,576</u>	<u>223,664</u>	<u>4,581,624</u>
(10,720)	0	684,456
<u>0</u>	<u>0</u>	<u>63,821</u>
(10,720)	0	748,277
<u>1,299</u>	<u>0</u>	<u>786,716</u>
<u>(\$9,421)</u>	<u>\$0</u>	<u>\$1,534,993</u>

**Nordonia Hills City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2023*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,833,665	\$13,887	\$3,847,552
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Contracts Payable	\$1,081,634	\$0	\$1,081,634
<b>Fund Balances</b>			
Restricted	0	13,887	13,887
Committed	2,752,031	0	2,752,031
<i>Total Fund Balances</i>	2,752,031	13,887	2,765,918
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	\$3,833,665	\$13,887	\$3,847,552

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2023*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Rentals	\$0	\$4,364	\$4,364
Miscellaneous	459	0	459
<i>Total Revenues</i>	<u>459</u>	<u>4,364</u>	<u>4,823</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	95,280	0	95,280
Support Services:			
Operation and Maintenance of Plant	1,442,877	0	1,442,877
Extracurricular Activities	27,796	0	27,796
Capital Outlay	0	995	995
<i>Total Expenditures</i>	<u>1,565,953</u>	<u>995</u>	<u>1,566,948</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,565,494)	3,369	(1,562,125)
<b>Other Financing Sources (Uses)</b>			
Transfers In	1,373,705	0	1,373,705
<i>Net Change in Fund Balances</i>	(191,789)	3,369	(188,420)
<i>Fund Balances Beginning of Year</i>	<u>2,943,820</u>	<u>10,518</u>	<u>2,954,338</u>
<i>Fund Balances End of Year</i>	<u><u>\$2,752,031</u></u>	<u><u>\$13,887</u></u>	<u><u>\$2,765,918</u></u>

**Individual Fund Schedules of Revenues, Expenditures  
and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual**

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Property Taxes	\$39,925,138	\$41,472,529	\$41,426,383	(\$46,146)
Payments in Lieu of Taxes	4,836,490	4,836,490	4,836,490	0
Intergovernmental	8,774,621	8,785,246	8,841,337	56,091
Interest	170,000	567,624	798,538	230,914
Tuition and Fees	916,000	933,500	984,111	50,611
Charges for Services	0	0	200	200
Extracurricular Activities	350,500	335,500	325,789	(9,711)
Contributions and Donations	2,500	2,500	6,300	3,800
Rentals	20,000	20,000	48,618	28,618
Miscellaneous	47,750	47,750	94,796	47,046
<i>Total Revenues</i>	<u>55,042,999</u>	<u>57,001,139</u>	<u>57,362,562</u>	<u>361,423</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular				
Salaries	16,141,064	16,297,389	16,255,557	41,832
Fringe Benefits	6,105,558	6,163,353	6,085,722	77,631
Purchased Services	780,935	788,327	751,536	36,791
Materials and Supplies	1,227,302	1,238,920	964,800	274,120
Capital Outlay	774,946	782,282	672,633	109,649
Other	6,891	6,956	6,956	0
Total Regular	<u>25,036,696</u>	<u>25,277,227</u>	<u>24,737,204</u>	<u>540,023</u>
Special				
Salaries	4,632,518	4,676,370	4,611,131	65,239
Fringe Benefits	2,073,435	2,093,062	2,073,786	19,276
Purchased Services	1,026,650	1,036,368	1,004,379	31,989
Materials and Supplies	78,582	79,326	72,034	7,292
Capital Outlay	45,685	46,118	43,354	2,764
Total Special	<u>7,856,870</u>	<u>7,931,244</u>	<u>7,804,684</u>	<u>126,560</u>
Vocational				
Salaries	212,308	214,318	214,318	0
Fringe Benefits	61,824	62,409	62,409	0
Purchased Services	332	335	226	109
Materials and Supplies	1,486	1,500	1,198	302
Total Vocational	<u>275,950</u>	<u>278,562</u>	<u>278,151</u>	<u>411</u>
Student Intervention Services				
Purchased Services	130,557	131,793	131,793	0
Total Instruction	<u>33,300,073</u>	<u>33,618,826</u>	<u>32,951,832</u>	<u>666,994</u>
Support Services:				
Pupils				
Salaries	3,251,926	3,282,709	3,282,709	0
Fringe Benefits	1,332,772	1,345,388	1,345,388	0
Purchased Services	1,338,248	1,350,916	1,342,236	8,680
Materials and Supplies	71,893	72,574	67,951	4,623
Capital Outlay	495	500	0	500
Total Pupils	<u>\$5,995,334</u>	<u>\$6,052,087</u>	<u>\$6,038,284</u>	<u>\$13,803</u>

(continued)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2023*

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Instructional Staff</b>				
Salaries	\$691,518	\$698,064	\$698,064	\$0
Fringe Benefits	270,258	272,816	272,816	0
Purchased Services	22,949	23,166	22,856	310
Materials and Supplies	72,023	72,705	60,524	12,181
Capital Outlay	2,278	2,300	0	2,300
Other	23,181	23,400	1,968	21,432
<b>Total Instructional Staff</b>	<b>1,082,207</b>	<b>1,092,451</b>	<b>1,056,228</b>	<b>36,223</b>
<b>Board of Education</b>				
Salaries	19,193	19,375	18,125	1,250
Fringe Benefits	1,772	1,789	1,789	0
Purchased Services	5,425	5,476	2,387	3,089
Materials and Supplies	16,940	17,100	10,860	6,240
Other	17,633	17,800	11,591	6,209
<b>Total Board of Education</b>	<b>60,963</b>	<b>61,540</b>	<b>44,752</b>	<b>16,788</b>
<b>Administration</b>				
Salaries	2,132,804	2,152,993	2,152,993	0
Fringe Benefits	1,026,527	1,036,244	1,036,244	0
Purchased Services	557,136	562,410	365,918	196,492
Materials and Supplies	61,641	62,225	29,815	32,410
Capital Outlay	82,626	83,408	27,664	55,744
Other	35,712	36,050	30,368	5,682
<b>Total Administration</b>	<b>3,896,446</b>	<b>3,933,330</b>	<b>3,643,002</b>	<b>290,328</b>
<b>Fiscal</b>				
Salaries	485,562	490,158	490,158	0
Fringe Benefits	225,788	227,925	227,925	0
Purchased Services	80,270	81,030	73,720	7,310
Materials and Supplies	4,936	4,983	3,983	1,000
Capital Outlay	5,449	5,500	1,400	4,100
Other	678,310	684,731	684,731	0
<b>Total Fiscal</b>	<b>1,480,315</b>	<b>1,494,327</b>	<b>1,481,917</b>	<b>12,410</b>
<b>Business</b>				
Salaries	\$173,787	\$175,432	\$175,432	\$0
Fringe Benefits	76,202	76,923	72,823	4,100
Purchased Services	106,160	107,165	94,350	12,815
Materials and Supplies	21,842	22,049	21,776	273
Other	8,036	8,112	8,112	0
<b>Total Business</b>	<b>386,027</b>	<b>389,681</b>	<b>372,493</b>	<b>17,188</b>
<b>Operation and Maintenance of Plant</b>				
Salaries	1,863,498	1,881,138	1,881,138	0
Fringe Benefits	833,388	841,277	841,277	0
Purchased Services	1,562,065	1,576,852	1,515,271	61,581
Materials and Supplies	396,889	400,646	367,603	33,043
Capital Outlay	18,799	18,977	18,797	180
Other	27,527	27,788	25,981	1,807
<b>Total Operation and Maintenance of Plant</b>	<b>\$4,702,166</b>	<b>\$4,746,678</b>	<b>\$4,650,067</b>	<b>\$96,611</b>

(continued)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2023*

	Original Budget	Final Budget	Actual	Variance with Final Budget
Pupil Transportation				
Purchased Services	\$3,771,401	\$3,807,101	\$3,652,835	\$154,266
Materials and Supplies	263,605	266,100	265,972	128
<b>Total Pupil Transportation</b>	<b>4,035,006</b>	<b>4,073,201</b>	<b>3,918,807</b>	<b>154,394</b>
Central				
Salaries	115,031	116,120	116,120	0
Fringe Benefits	56,841	57,379	52,391	4,988
Purchased Services	541,441	546,566	444,003	102,563
Materials and Supplies	202,680	204,599	189,728	14,871
Capital Outlay	19,813	20,000	15,479	4,521
<b>Total Central</b>	<b>935,806</b>	<b>944,664</b>	<b>817,721</b>	<b>126,943</b>
<b>Total Support Services</b>	<b>22,574,270</b>	<b>22,787,959</b>	<b>22,023,271</b>	<b>764,688</b>
Extracurricular Activities:				
Academic and Subject Oriented Activities				
Salaries	74,217	74,920	73,723	1,197
Fringe Benefits	13,346	13,472	11,611	1,861
Purchased Services	75,674	76,390	46,327	30,063
Materials and Supplies	4,566	4,609	1,940	2,669
Capital Outlay	44,035	44,452	34,402	10,050
Other	674	680	550	130
<b>Total Academic and Subject Oriented Activities</b>	<b>212,512</b>	<b>214,523</b>	<b>168,553</b>	<b>45,970</b>
Sport Oriented Activities				
Salaries	\$624,055	\$629,962	\$604,300	\$25,662
Fringe Benefits	110,710	111,758	111,758	0
Purchased Services	13,373	13,500	3,115	10,385
Other	25,730	25,974	13,153	12,821
<b>Total Sport Oriented Activities</b>	<b>773,868</b>	<b>781,194</b>	<b>732,326</b>	<b>48,868</b>
School and Public Service Co-Curricular Activities				
Salaries	133,358	134,620	134,620	0
Fringe Benefits	22,156	22,366	22,366	0
<b>Total School and Public Service Co-Curricular Activities</b>	<b>155,514</b>	<b>156,986</b>	<b>156,986</b>	<b>0</b>
<b>Total Extracurricular Activities</b>	<b>1,141,894</b>	<b>1,152,703</b>	<b>1,057,865</b>	<b>94,838</b>
<b>Total Expenditures</b>	<b>57,016,237</b>	<b>57,559,488</b>	<b>56,032,968</b>	<b>1,526,520</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(1,973,238)</i>	<i>(558,349)</i>	<i>1,329,594</i>	<i>1,887,943</i>
<b>Other Financing Sources (Uses)</b>				
Advances In	1,000	1,000	1,000	0
Advances Out	(5,000)	(5,000)	0	5,000
Transfers Out	(1,718,500)	(1,522,054)	(1,500,000)	22,054
<b>Total Other Financing Sources (Uses)</b>	<b>(1,722,500)</b>	<b>(1,526,054)</b>	<b>(1,499,000)</b>	<b>27,054</b>
<b>Net Change in Fund Balance</b>	<b>(3,695,738)</b>	<b>(2,084,403)</b>	<b>(169,406)</b>	<b>1,914,997</b>
<b>Fund Balance Beginning of Year</b>	<b>16,760,590</b>	<b>16,760,590</b>	<b>16,760,590</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>790,937</b>	<b>790,937</b>	<b>790,937</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$13,855,789</b>	<b>\$15,467,124</b>	<b>\$17,382,121</b>	<b>\$1,914,997</b>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$1,021,465	\$534,843	(\$486,622)
Interest	30,300	30,292	(8)
Charges for Services	953,235	955,182	1,947
<i>Total Revenues</i>	<u>2,005,000</u>	<u>1,520,317</u>	<u>(484,683)</u>
<b>Expenditures</b>			
Food Service Operations:			
Salaries	526,074	518,296	7,778
Fringe Benefits	260,160	255,082	5,078
Purchased Services	18,425	18,324	101
Materials and Supplies	490,180	453,821	36,359
Capital Outlay	42,663	42,450	213
Other	24,971	24,971	0
<i>Total Expenditures</i>	<u>1,362,473</u>	<u>1,312,944</u>	<u>49,529</u>
<i>Net Change in Fund Balance</i>	642,527	207,373	(435,154)
<i>Fund Balance Beginning of Year</i>	963,039	963,039	0
Prior Year Encumbrances Appropriated	2,473	2,473	0
<i>Fund Balance End of Year</i>	<u>\$1,608,039</u>	<u>\$1,172,885</u>	<u>(\$435,154)</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grants Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Contributions and Donations	\$78,422	\$84,897	\$6,475
Miscellaneous	23	45	22
<i>Total Revenues</i>	<u>78,445</u>	<u>84,942</u>	<u>6,497</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Purchased Services	135	135	0
Materials and Supplies	18,500	16,611	1,889
Capital Outlay	7,006	7,006	0
Total Regular	<u>25,641</u>	<u>23,752</u>	<u>1,889</u>
Special			
Materials and Supplies	5,500	1,495	4,005
Total Instruction	<u>31,141</u>	<u>25,247</u>	<u>5,894</u>
Support Services:			
Pupils			
Materials and Supplies	8,101	8,101	0
Other	3,019	0	3,019
Total Pupils	<u>11,120</u>	<u>8,101</u>	<u>3,019</u>
Instructional Staff			
Materials and Supplies	14	14	0
Total Support Services	<u>11,134</u>	<u>8,115</u>	<u>3,019</u>
Operation of Non-Instructional Services:			
Community Services			
Other	21,000	18,200	2,800
Extracurricular Activities:			
School and Public Service Co-Curricular Activities			
Salaries	1,978	1,978	0
Fringe Benefits	339	339	0
Purchased Services	10,393	10,393	0
Materials and Supplies	2,090	2,090	0
Other	10,000	1,000	9,000
Total Extracurricular Activities	<u>24,800</u>	<u>15,800</u>	<u>9,000</u>
<i>Total Expenditures</i>	<u>88,075</u>	<u>67,362</u>	<u>20,713</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(9,630)	17,580	27,210
<b>Other Financing Sources (Uses)</b>			
Transfers In	3,514	3,821	307
<i>Net Change in Fund Balance</i>	(6,116)	21,401	27,517
<i>Fund Balance Beginning of Year</i>	13,514	13,514	0
Prior Year Encumbrances Appropriated	<u>7,575</u>	<u>7,575</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$14,973</u>	<u>\$42,490</u>	<u>\$27,517</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*High School Bookstore Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Tuition and Fees	\$1,900	\$919	(\$981)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Materials and Supplies	7,446	3,482	3,964
<i>Net Change in Fund Balance</i>	(5,546)	(2,563)	2,983
<i>Fund Balance Beginning of Year</i>	7,466	7,466	0
<i>Fund Balance End of Year</i>	<u>\$1,920</u>	<u>\$4,903</u>	<u>\$2,983</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Student Activities Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Extracurricular Activities	\$333,115	\$277,930	(\$55,185)
Contributions and Donations	5,625	20,426	14,801
<i>Total Revenues</i>	<u>338,740</u>	<u>298,356</u>	<u>(40,384)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Materials and Supplies	650	188	462
Vocational			
Other	14,500	8,825	5,675
Total Instruction	<u>15,150</u>	<u>9,013</u>	<u>6,137</u>
Extracurricular Activities:			
Academic and Subject Oriented Activities			
Salaries	2,700	2,700	0
Fringe Benefits	495	432	63
Purchased Services	181,172	145,438	35,734
Materials and Supplies	13,630	11,012	2,618
Other	27,912	18,483	9,429
Total Academic and Subject Oriented Activities	<u>225,909</u>	<u>178,065</u>	<u>47,844</u>
Occupation Oriented Activities			
Other	1,801	1,065	736
Sports Oriented Activities			
Other	450	0	450
School and Public Service Co-Curricular Activities			
Other	123,948	81,247	42,701
Total Extracurricular Activities	<u>352,108</u>	<u>260,377</u>	<u>91,731</u>
<i>Total Expenditures</i>	<u>367,258</u>	<u>269,390</u>	<u>97,868</u>
<i>Net Change in Fund Balance</i>	(28,518)	28,966	57,484
<i>Fund Balance Beginning of Year</i>	130,033	130,033	0
Prior Year Encumbrances Appropriated	<u>2,600</u>	<u>2,600</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$104,115</u>	<u>\$161,599</u>	<u>\$57,484</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Activities Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Extracurricular Activities	\$599,135	\$474,355	(\$124,780)
Contributions and Donations	9,800	1,005	(8,795)
Rentals	100	1,622	1,522
<i>Total Revenues</i>	<u>609,035</u>	<u>476,982</u>	<u>(132,053)</u>
<b>Expenditures</b>			
Extracurricular Activities:			
Academic and Subject Oriented Activities			
Materials and Supplies	1,717	1,657	60
Other	8,204	157	8,047
Total Academic and Subject Oriented Activities	<u>9,921</u>	<u>1,814</u>	<u>8,107</u>
Sport Oriented Activities			
Salaries	21,646	13,407	8,239
Fringe Benefits	2,503	2,381	122
Purchased Services	169,019	155,371	13,648
Materials and Supplies	66,988	38,194	28,794
Capital Outlay	13,321	13,286	35
Other	339,676	323,827	15,849
Total Sport Oriented Activities	<u>613,153</u>	<u>546,466</u>	<u>66,687</u>
School and Public Service Co-Curricular Activities			
Salaries	22	22	0
Purchased Services	27,797	12,975	14,822
Materials and Supplies	27,150	6,131	21,019
Other	21,700	3,400	18,300
Total School and Public Service Co-CurricularActivities	<u>76,669</u>	<u>22,528</u>	<u>54,141</u>
<i>Total Expenditures</i>	<u>699,743</u>	<u>570,808</u>	<u>128,935</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(90,708)</u>	<u>(93,826)</u>	<u>(3,118)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	60,000	60,000
Transfers Out	(5,000)	0	5,000
<i>Total Other Financing Sources (Uses)</i>	<u>(5,000)</u>	<u>60,000</u>	<u>65,000</u>
<i>Net Change in Fund Balance</i>	<u>(95,708)</u>	<u>(33,826)</u>	<u>61,882</u>
<i>Fund Balance Beginning of Year</i>	239,689	239,689	0
Prior Year Encumbrances Appropriated	<u>4,743</u>	<u>4,743</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$148,724</u></u>	<u><u>\$210,606</u></u>	<u><u>\$61,882</u></u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Data Communication Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$10,800	\$10,800	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central			
Purchased Services	10,800	10,800	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous State Grants Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$43,282	\$60,588	\$17,306
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils			
Purchased Services	24,560	24,500	60
Materials and Supplies	440	440	0
Total Pupils	25,000	24,940	60
Operation and Maintenance of Plant			
Materials and Supplies	18,282	0	18,282
<i>Total Expenditures</i>	43,282	24,940	18,342
<i>Net Change in Fund Balance</i>	0	35,648	35,648
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$35,648	\$35,648

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Elementary and Secondary School Emergency Relief Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$787,294	\$611,046	(\$176,248)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Salaries	26,099	18,000	8,099
Fringe Benefits	3,587	2,887	700
Purchased Services	482,749	482,749	0
Total Regular	512,435	503,636	8,799
Special			
Salaries	40,123	40,123	0
Fringe Benefits	9,753	8,027	1,726
Purchased Services	72,616	0	72,616
Total Special	122,492	48,150	74,342
Total Instruction	634,927	551,786	83,141
Support Services:			
Pupils			
Salaries	122,021	122,021	0
Fringe Benefits	46,916	46,916	0
Total Pupils	168,937	168,937	0
Pupil Transportation			
Purchased Services	4,233	4,233	0
Total Support Services	173,170	173,170	0
<i>Total Expenditures</i>	808,097	724,956	83,141
<i>Net Change in Fund Balance</i>	(20,803)	(113,910)	(93,107)
<i>Fund Deficit Beginning of Year</i>	(87,015)	(87,015)	0
Prior Year Encumbrances Appropriated	107,818	107,818	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$93,107)	(\$93,107)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$1,658,465	\$1,213,688	(\$444,777)
<b>Expenditures</b>			
Current:			
Instruction:			
Special			
Salaries	10,750	3,000	7,750
Fringe Benefits	3,624	475	3,149
Purchased Services	813,154	751,058	62,096
Materials and Supplies	35,000	31,268	3,732
Total Instruction	862,528	785,801	76,727
Support Services:			
Pupils			
Purchased Services	267,631	162,935	104,696
Pupil Transportation			
Purchased Services	496,400	404,135	92,265
Total Support Services	764,031	567,070	196,961
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	31,391	31,391	0
<i>Total Expenditures</i>	1,657,950	1,384,262	273,688
<i>Net Change in Fund Balance</i>	515	(170,574)	(171,089)
<i>Fund Deficit Beginning of Year</i>	(210,787)	(210,787)	0
Prior Year Encumbrances Appropriated	211,272	211,272	0
<i>Fund Balance (Deficit) End of Year</i>	\$1,000	(\$170,089)	(\$171,089)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Limited English Proficiency Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$6,700	\$0	(\$6,700)
<b>Expenditures</b>			
Current:			
Instruction:			
Special			
Purchased Services	14,883	3,330	11,553
<i>Net Change in Fund Balance</i>	(8,183)	(3,330)	4,853
<i>Fund Balance Beginning of Year</i>	8,183	8,183	0
<i>Fund Balance End of Year</i>	\$0	\$4,853	\$4,853

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$376,886	\$293,412	(\$83,474)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Salaries	1,729	895	834
Fringe Benefits	300	141	159
Purchased Services	357,757	354,905	2,852
Materials and Supplies	3,638	3,638	0
Capital Outlay	1,799	1,799	0
Total Instruction	365,223	361,378	3,845
Support Services:			
Administration			
Purchased Services	10,000	10,000	0
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	1,692	1,692	0
<i>Total Expenditures</i>	376,915	373,070	3,845
<i>Net Change in Fund Balance</i>	(29)	(79,658)	(79,629)
<i>Fund Deficit Beginning of Year</i>	(91,198)	(91,198)	0
Prior Year Encumbrances Appropriated	91,227	91,227	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$79,629)	(\$79,629)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title IV-A Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$23,000	\$20,370	(\$2,630)
<b>Expenditures</b>			
Current:			
Support Services:			
Administration			
Salaries	13,931	13,931	0
Fringe Benefits	6,860	6,860	0
Total Administration	20,791	20,791	0
Fiscal			
Purchased Services	204	0	204
Total Support Services	20,995	20,791	204
Operation of Non-Instructional Services:			
Community Services			
Materials and Supplies	2,005	2,005	0
<i>Total Expenditures</i>	23,000	22,796	204
<i>Net Change in Fund Balance</i>	0	(2,426)	(2,426)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$2,426)	(\$2,426)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool for Handicapped Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$38,073	\$29,827	(\$8,246)
<b>Expenditures</b>			
Current:			
Instruction:			
Special			
Purchased Services	37,722	37,722	0
Support Services:			
Fiscal			
Purchased Services	351	0	351
<i>Total Expenditures</i>	<u>38,073</u>	<u>37,722</u>	<u>351</u>
<i>Net Change in Fund Balance</i>	0	(7,895)	(7,895)
<i>Fund Deficit Beginning of Year</i>	(21,673)	(21,673)	0
Prior Year Encumbrances Appropriated	<u>21,673</u>	<u>21,673</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$7,895)</u></u>	<u><u>(\$7,895)</u></u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reducing Class Size Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$127,652	\$55,616	(\$72,036)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Salaries	12,000	8,000	4,000
Fringe Benefits	1,920	1,247	673
Purchased Services	23,529	7,500	16,029
Materials and Supplies	15,551	15,510	41
Total Instruction	53,000	32,257	20,743
Support Services:			
Instructional Staff			
Salaries	60,128	42,662	17,466
Fringe Benefits	12,051	6,668	5,383
Total Support Services	72,179	49,330	22,849
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	8,196	7,854	342
Total Expenditures	133,375	89,441	43,934
Excess of Revenues Over (Under) Expenditures	(5,723)	(33,825)	(28,102)
<b>Other Financing Sources (Uses)</b>			
Advances Out	(1,000)	(1,000)	0
Net Change in Fund Balance	(6,723)	(34,825)	(28,102)
Fund Balance Beginning of Year	5,923	5,923	0
Prior Year Encumbrances Appropriated	800	800	0
Fund Balance (Deficit) End of Year	\$0	(\$28,102)	(\$28,102)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Intergovernmental	\$600,000	\$600,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant			
Capital Outlay	600,000	223,664	376,336
<i>Net Change in Fund Balance</i>	0	376,336	376,336
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$376,336	\$376,336

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Extracurricular Activities	\$54,903	\$33,817	(\$21,086)
Contributions and Donations	14,200	9,458	(4,742)
Miscellaneous	25,500	6,840	(18,660)
<i>Total Revenues</i>	<u>94,603</u>	<u>50,115</u>	<u>(44,488)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils			
Other	102	102	0
Instructional Staff			
Other	350	0	350
<i>Total Support Services</i>	<u>452</u>	<u>102</u>	<u>350</u>
Extracurricular Activities:			
Academic and Subject Oriented Activities			
Purchased Services	13,642	6,134	7,508
Materials and Supplies	111,254	39,639	71,615
Capital Outlay	12,671	4,429	8,242
Other	30,126	18,600	11,526
<i>Total Academic and Subject Oriented Activities</i>	<u>167,693</u>	<u>68,802</u>	<u>98,891</u>
School and Public Service Co-Curricular Activities			
Operation of Non-Instructional Services			
Materials and Supplies	12,000	0	12,000
<i>Total Extracurricular Activities</i>	<u>179,693</u>	<u>68,802</u>	<u>110,891</u>
<i>Total Expenditures</i>	<u>180,145</u>	<u>68,904</u>	<u>111,241</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(\$85,542)</u>	<u>(\$18,789)</u>	<u>\$66,753</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	5,000	0	(5,000)
Transfers Out	(5,031)	0	5,031
<i>Total Other Financing Sources (Uses)</i>	<u>(31)</u>	<u>0</u>	<u>31</u>
<i>Net Change in Fund Balance</i>	<u>(85,573)</u>	<u>(18,789)</u>	<u>66,784</u>
<i>Fund Balance Beginning of Year</i>	114,883	114,883	0
Prior Year Encumbrances Appropriated	5,176	5,176	0
<i>Fund Balance End of Year</i>	<u>\$34,486</u>	<u>\$101,270</u>	<u>\$66,784</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bond Retirement Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Property Taxes	\$2,992,517	\$2,992,570	\$53
Intergovernmental	377,724	377,529	(195)
<i>Total Revenues</i>	<u>3,370,241</u>	<u>3,370,099</u>	<u>(142)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal			
Other	52,000	44,051	7,949
Debt Service:			
Principal Retirement	2,955,144	2,955,144	0
Interest	324,051	324,051	0
Total Debt Service	<u>3,279,195</u>	<u>3,279,195</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,331,195</u>	<u>3,323,246</u>	<u>7,949</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	39,046	46,853	7,807
<b>Other Financing Sources (Uses)</b>			
Transfers In	62,474	62,474	0
<i>Net Change in Fund Balance</i>	101,520	109,327	7,807
<i>Fund Balance Beginning of Year</i>	<u>1,646,136</u>	<u>1,646,136</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,747,656</u></u>	<u><u>\$1,755,463</u></u>	<u><u>\$7,807</u></u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Miscellaneous	\$250	\$459	\$209
<b>Expenditures</b>			
Current:			
Site Improvement Services			
Regular			
Capital Outlay	95,280	95,280	0
Operation and Maintenance of Plant			
Purchased Services	2,637,227	2,629,758	7,469
Capital Outlay	108,585	102,314	6,271
Total Support Services	2,745,812	2,732,072	13,740
Extracurricular Activities:			
Sport Oriented Activities			
Purchased Services	24,292	24,115	177
Capital Outlay	3,681	3,681	0
Total Extracurricular Activities	27,973	27,796	177
<i>Total Expenditures</i>	2,869,065	2,855,148	13,917
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,868,815)	(2,854,689)	14,126
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	1,373,705	1,373,705
<i>Net Change in Fund Balance</i>	(2,868,815)	(1,480,984)	1,387,831
<i>Fund Balance Beginning of Year</i>	2,779,755	2,779,755	0
Prior Year Encumbrances Appropriated	394,065	394,065	0
<i>Fund Balance End of Year</i>	<u>\$305,005</u>	<u>\$1,692,836</u>	<u>\$1,387,831</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Building Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>			
Rentals	\$5,000	\$4,364	(\$636)
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Sport Oriented Activities			
Materials and Supplies	5,000	0	5,000
Capital Outlay:			
Site Improvement Services			
Materials and Supplies	2,000	0	2,000
Capital Outlay	995	995	0
Total Capital Outlay	2,995	995	2,000
<i>Total Expenditures</i>	7,995	995	7,000
<i>Net Change in Fund Balance</i>	(2,995)	3,369	6,364
<i>Fund Balance Beginning of Year</i>	9,523	9,523	0
Prior Year Encumbrances Appropriated	995	995	0
<i>Fund Balance End of Year</i>	\$7,523	\$13,887	\$6,364



Statistical  
Section



# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	<b>S2 - S11</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, the property tax.	<b>S12 - S20</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	<b>S21 - S25</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>S26 - S27</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	<b>S28 - S37</b>

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

**Nordonia Hills City School District**

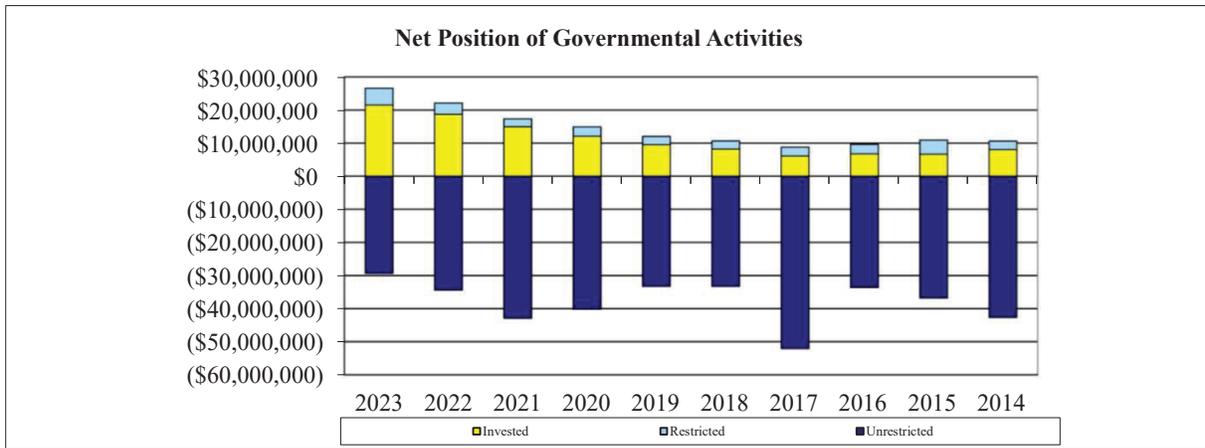
*Net Position by Component*

*Last Ten Fiscal Years*

*(Accrual Basis of Accounting)*

	2023	2022 (1)	2021	2020 (2)	2019
<b>Governmental Activities:</b>					
Net Investment in Capital Assets	\$21,515,761	\$18,663,020	\$14,919,422	\$12,056,195	\$9,530,083
Restricted for:					
Debt Service	2,439,362	1,926,382	1,877,390	1,703,823	1,764,926
Capital Projects	13,887	10,518	17,618	247,017	242,506
Other Purposes	2,602,621	1,519,182	535,123	881,154	504,922
Unrestricted (Deficit)	<u>(29,325,527)</u>	<u>(34,379,558)</u>	<u>(42,890,141)</u>	<u>(40,157,763)</u>	<u>(33,253,735)</u>
Total Governmental Activities Net Position	<u>(\$2,753,896)</u>	<u>(\$12,260,456)</u>	<u>(\$25,540,588)</u>	<u>(\$25,269,574)</u>	<u>(\$21,211,298)</u>

- (1) The School District reported the impact of GASB Statement No. 96 beginning in fiscal year 2022.
- (2) The School District reported the impact of GASB Statement No. 84 beginning in fiscal year 2020.
- (3) The School District reported the impact of GASB Statement No. 75 beginning in fiscal year 2017.
- (4) The School District reported the impact of GASB Statement No. 68 beginning in fiscal year 2014.



<u>2018</u>	<u>2017 (3)</u>	<u>2016</u>	<u>2015</u>	<u>2014 (4)</u>
\$8,199,704	\$6,107,251	\$6,724,826	\$6,641,508	\$8,018,577
1,676,239	1,412,544	1,958,030	2,096,504	1,739,717
292,638	740,116	343,234	1,717,079	398,112
474,620	504,800	614,083	478,775	442,212
<u>(33,276,776)</u>	<u>(52,040,309)</u>	<u>(33,622,185)</u>	<u>(36,780,435)</u>	<u>(42,634,928)</u>
<u>(\$22,633,575)</u>	<u>(\$43,275,598)</u>	<u>(\$23,982,012)</u>	<u>(\$25,846,569)</u>	<u>(\$32,036,310)</u>

**Nordonia Hills City School District**

*Changes in Net Position*

*Last Ten Fiscal Years*

*(Accrual Basis of Accounting)*

	2023	2022	2021 (1)	2020	2019
<b>Expenses</b>					
Governmental Activities:					
Regular Instruction	\$26,734,693	\$23,617,539	\$25,250,024	\$24,537,043	\$18,319,999
Special Instruction	8,437,328	7,406,764	8,922,887	9,516,804	7,340,313
Vocational Instruction	276,753	335,103	350,203	325,210	220,308
Student Intervention Services	131,793	135,982	107,035	74,012	64,094
Pupils	6,088,493	5,069,805	5,530,106	4,830,930	3,867,045
Instructional Staff	1,114,331	1,092,783	1,429,048	1,324,063	1,105,800
Board of Education	41,497	36,696	38,320	31,790	37,401
Administration	3,587,427	3,223,778	3,394,406	3,295,234	2,851,513
Fiscal	1,480,059	1,461,194	1,600,811	1,476,386	1,470,958
Business	345,794	344,435	343,402	353,359	321,436
Operation and Maintenance of Plant	4,930,537	5,568,457	5,150,407	4,001,620	4,886,592
Pupil Transportation	4,224,493	4,149,238	3,584,347	3,576,665	3,859,972
Central	715,434	470,641	426,560	426,355	433,315
Operation of Non-Instructional Services	49,741	86,579	460,243	428,262	502,244
Food Service Operations	1,294,850	1,243,903	1,048,789	1,286,149	1,088,644
Extracurricular Activities	1,981,228	1,742,194	1,541,760	1,532,935	1,491,841
Interest	185,466	280,911	400,812	515,489	625,197
<i>Total Governmental Activities Expenses</i>	<u>61,619,917</u>	<u>56,266,002</u>	<u>59,579,160</u>	<u>57,532,306</u>	<u>48,486,672</u>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services					
Regular Instruction	444,298	435,138	455,686	334,237	499,608
Special Instruction	139,304	139,282	152,911	120,382	166,437
Vocational Instruction	4,149	5,889	5,614	4,158	5,168
Student Intervention Services	2,367	2,443	2,053	1,110	1,457
Pupils	114,107	62,688	88,759	63,496	91,497
Instructional Staff	18,669	18,121	19,500	15,758	23,087
Board of Education	745	659	735	477	850
Administration	64,368	61,601	62,100	46,042	67,878
Fiscal	26,466	26,405	29,381	20,611	31,219
Business	6,418	6,445	6,442	5,033	7,145
Operation and Maintenance of Plant	82,114	93,341	102,763	67,709	103,260
Pupil Transportation	68,254	74,482	66,923	53,394	84,909
Central	12,072	8,132	6,812	5,757	8,292
Operation of Non-Instructional Services	0	0	0	0	0
Food Service Operations	956,499	253,393	118,669	649,812	783,251
Extracurricular Activities	1,185,467	1,075,923	613,006	750,317	914,743
Operating Grants and Contributions					
Regular Instruction	645,962	1,511,033	340,531	307,150	828,893
Special Instruction	826,807	568,855	348,845	1,010,741	326,668
Vocational Instruction	5,461	6,208	14,798	14,798	14,798
Pupils	207,019	2,061,363	758,007	193,044	84,370
Instructional Staff	51,736	137,824	251,963	94,133	117,607
Administration	25,791	5,000	5,000	5,930	0
Operation and Maintenance of Plant	223,664	6,453	181,462	11,510	0
Pupil Transportation	658,750	163,520	98,258	106,556	283,159
Central	11,077	10,800	10,800	10,800	10,800
Operation of Non-Instructional Services	51,631	77,288	471,963	414,512	420,846
Food Service Operations	651,428	1,939,970	655,620	271,089	277,217
Extracurricular Activities	37,791	26,220	23,403	17,122	29,797

2018 (2)	2017	2016	2015 (3)	2014
\$7,156,800	\$21,336,416	\$20,056,808	\$18,550,105	\$18,738,003
4,517,844	8,386,796	6,446,142	6,108,542	6,036,343
77,172	245,654	145,074	138,542	140,339
110,236	28,330	85,845	85,303	87,536
2,131,254	3,653,397	3,374,388	3,164,056	3,084,212
879,975	1,062,066	959,523	911,162	891,630
34,898	29,157	28,803	26,999	25,382
2,079,175	3,006,711	2,839,587	2,601,135	2,751,025
1,148,960	1,331,423	1,388,959	1,157,432	1,455,160
294,688	296,297	333,196	310,434	322,065
3,990,039	4,010,472	4,091,712	3,927,891	3,849,829
3,328,068	3,173,180	2,935,119	2,338,284	2,391,133
321,506	339,210	637,809	383,035	695,317
449,093	1,034,359	567,067	703,621	656,335
960,011	969,192	1,221,780	1,193,894	1,295,629
1,405,852	1,840,343	1,471,574	1,868,849	1,925,689
731,377	1,005,373	1,391,929	1,475,149	1,704,189
29,616,948	51,748,376	47,975,315	44,944,433	46,049,816

517,743	560,033	428,931	450,421	379,065
171,102	198,768	122,222	129,215	114,168
5,117	5,529	2,375	2,545	2,245
2,583	780	1,750	1,911	1,732
78,943	88,538	66,184	70,390	56,043
22,613	24,430	17,926	17,594	20,350
818	803	587	605	502
70,714	78,349	57,939	59,596	92,575
26,817	34,377	27,273	24,995	35,730
7,109	7,743	6,740	6,982	9,620
89,615	98,335	73,458	80,923	95,187
72,619	81,927	53,391	46,945	42,364
7,477	7,612	10,240	8,165	12,464
0	0	0	0	10
721,518	720,936	761,374	762,755	827,776
870,419	871,033	749,118	1,155,459	1,237,833
199,972	324,244	336,331	349,410	318,550
751,822	815,286	732,920	860,647	557,684
14,798	15,216	1,309	1,761	1,733
169,467	177,408	135,089	109,746	441,240
92,218	63,413	58,300	95,779	127,103
3,286	0	0	2,541	2,083
0	0	0	0	0
360,136	260,239	310,512	254,253	232,679
10,800	10,800	10,800	10,800	10,800
472,999	688,038	693,368	672,218	658,284
297,941	343,876	367,246	354,439	406,274
27,119	25,019	2,889	96,966	1,720

(continued)

**Nordonia Hills City School District**  
*Changes in Net Position (continued)*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2023	2022	2021 (1)	2020	2019
Capital Grants and Contributions					
Regular Instruction	\$0	\$400,000	\$0	\$0	\$0
Operation and Maintenance of Plant	0	1,350	41,897	900	0
<i>Total Governmental Activities Program Revenues</i>	<u>6,522,414</u>	<u>9,179,826</u>	<u>4,933,901</u>	<u>4,596,578</u>	<u>5,182,956</u>
<b>Net (Expense)/Revenue</b>	<u>(55,097,503)</u>	<u>(47,086,176)</u>	<u>(54,645,259)</u>	<u>(52,935,728)</u>	<u>(43,303,716)</u>
<b>General Revenues</b>					
Governmental Activities:					
Property Taxes Levied for:					
General Purposes	46,520,923	38,826,968	39,976,258	34,030,045	30,348,674
Debt Service	3,389,853	2,827,513	2,972,345	2,734,257	2,854,001
Payments in Lieu of Taxes	4,836,490	9,883,681	1,924,340	2,331,129	1,873,633
Grants and Entitlements not					
Restricted to Specific Programs	8,920,861	8,753,554	8,760,292	9,003,170	9,069,582
Unrestricted Contributions and Donations	15,758	3,879	7,231	2,306	3,673
Investment Earnings/Interest	820,959	(248,355)	518,234	356,721	412,667
Gain on Sale of Capital Assets	0	2,000	0	0	9,441
Miscellaneous	99,219	66,414	215,545	234,465	154,322
<i>Total Governmental Activities General Revenues</i>	<u>64,604,063</u>	<u>60,115,654</u>	<u>54,374,245</u>	<u>48,692,093</u>	<u>44,725,993</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$9,506,560</u>	<u>\$13,029,478</u>	<u>(\$271,014)</u>	<u>(\$4,243,635)</u>	<u>\$1,422,277</u>

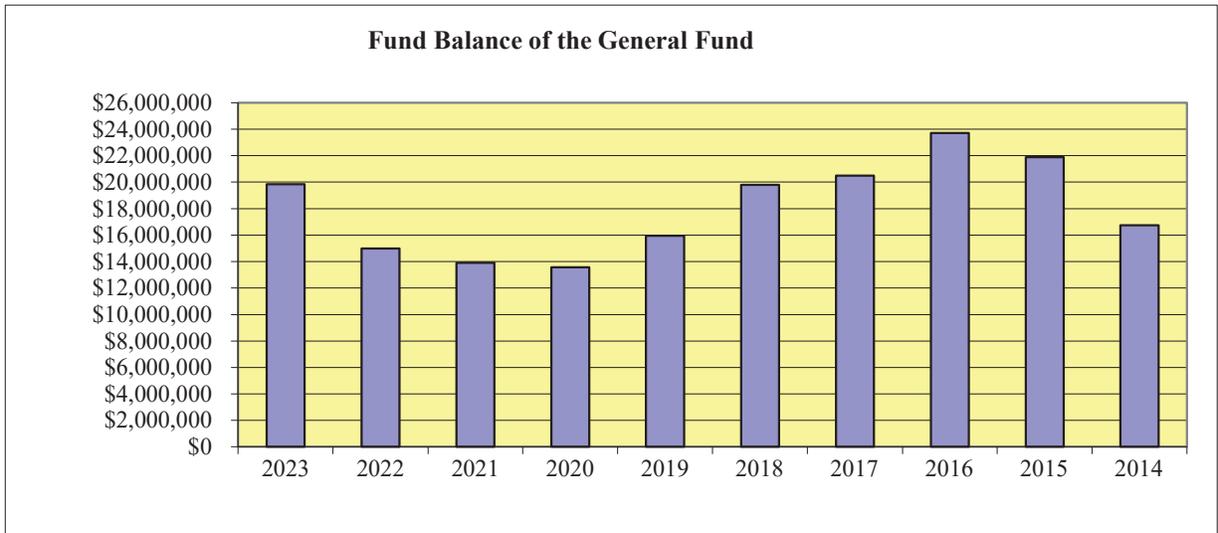
- (1) Revenues and expenses are first impacted by the implementation of GASB Statement No. 84 beginning in fiscal year 2021.  
(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in fiscal year 2018.  
(3) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in fiscal year 2015.

2018 (2)	2017	2016	2015 (3)	2014
\$0	\$0	\$0	\$0	\$0
55,000	20,700	0	0	0
5,120,765	5,523,432	5,028,272	5,627,061	5,685,814
(24,496,183)	(46,224,944)	(42,947,043)	(39,317,372)	(40,364,002)
31,014,273	26,549,659	29,664,006	29,871,761	32,584,461
3,113,957	2,550,927	2,908,269	3,052,809	3,394,591
1,316,449	1,723,253	1,285,013	968,477	483,379
9,330,679	10,577,845	10,557,986	10,770,864	11,160,608
2,740	3,357	3,106	0	0
186,390	74,557	158,769	39,382	19,396
0	0	0	526,951	0
173,718	121,611	234,451	276,869	79,252
45,138,206	41,601,209	44,811,600	45,507,113	47,721,687
\$20,642,023	(\$4,623,735)	\$1,864,557	\$6,189,741	\$7,357,685

**Nordonia Hills City School District**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*

	2023	2022	2021	2020 (1)	2019
<b>General Fund</b>					
Nonspendable	\$133,335	\$162,102	\$214,091	\$147,793	\$131,757
Committed	76,855	58,837	495,649	0	0
Assigned	4,662,749	3,268,422	1,960,427	1,524,289	9,899,688
Unassigned	14,980,593	11,501,547	11,251,906	11,898,737	5,920,698
<i>Total General Fund</i>	<u>19,853,532</u>	<u>14,990,908</u>	<u>13,922,073</u>	<u>13,570,819</u>	<u>15,952,143</u>
<b>All Other Governmental Funds</b>					
Nonspendable	5,924	9,921	6,403	6,726	5,853
Restricted	4,017,939	3,214,359	2,476,944	2,512,096	2,368,913
Committed	2,756,934	2,951,286	7,459	7,240	7,771
Unassigned (Deficit)	(48,139)	(501,853)	(42,619)	(63,994)	(104,366)
<i>Total All Other Governmental Funds</i>	<u>6,732,658</u>	<u>5,673,713</u>	<u>2,448,187</u>	<u>2,462,068</u>	<u>2,278,171</u>
<i>Total Governmental Funds</i>	<u>\$26,586,190</u>	<u>\$20,664,621</u>	<u>\$16,370,260</u>	<u>\$16,032,887</u>	<u>\$18,230,314</u>

(1) The School District reported the impact of GASB Statement No. 84 beginning in fiscal year 2020.



2018	2017	2016	2015	2014
\$139,668	\$116,888	\$50,363	\$50,158	\$44,951
0	0	0	0	0
6,436,382	4,761,158	363,379	2,317,045	676,253
13,221,534	15,628,682	23,297,679	19,523,941	16,007,826
19,797,584	20,506,728	23,711,421	21,891,144	16,729,030
6,566	5,192	3,067	4,103	5,307
2,309,209	2,424,211	2,694,944	4,231,489	2,538,172
7,702	7,160	6,247	9,235	8,498
(75,708)	(34,358)	(148,381)	(21,654)	(534)
2,247,769	2,402,205	2,555,877	4,223,173	2,551,443
\$22,045,353	\$22,908,933	\$26,267,298	\$26,114,317	\$19,280,473

**Nordonia Hills City School District**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*

	2023	2022	2021 (1)	2020	2019
<b>Revenues</b>					
Property Taxes	\$49,803,585	\$41,672,942	\$42,962,603	\$36,764,271	\$33,491,386
Payments in Lieu of Taxes	4,836,490	9,883,681	1,924,340	2,331,129	1,873,633
Intergovernmental	12,649,762	14,753,894	12,062,508	11,470,964	11,216,480
Investment Earnings/Interest	851,251	(246,932)	518,304	356,757	412,691
Tuition and Fees	984,369	985,080	804,974	946,813	901,503
Charges for Services	956,699	253,393	133,248	671,561	815,147
Extracurricular Activities	1,111,859	1,034,152	585,348	690,343	839,203
Contributions and Donations	109,650	59,792	172,810	55,050	65,764
Rentals	54,824	23,667	9,358	46,193	52,578
Miscellaneous	99,219	66,414	215,545	234,465	154,322
<i>Total Revenues</i>	<u>71,457,708</u>	<u>68,486,083</u>	<u>59,389,038</u>	<u>53,567,546</u>	<u>49,822,707</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	25,487,400	25,721,383	23,150,045	22,155,461	20,607,692
Special	8,547,667	8,276,641	8,167,240	8,557,691	7,796,187
Vocational	233,606	373,438	294,059	271,121	220,107
Student Intervention Services	131,793	135,982	107,035	74,012	64,094
Support Services:					
Pupils	6,501,454	5,749,931	5,156,514	4,329,011	4,057,020
Instructional Staff	1,096,845	1,157,284	1,320,417	1,182,181	1,072,186
Board of Education	41,497	36,696	38,320	31,790	37,401
Administration	3,650,803	3,429,538	3,181,413	3,077,120	2,965,105
Fiscal	1,526,220	1,527,377	1,580,245	1,407,550	1,414,440
Business	357,842	363,485	337,848	329,705	316,087
Operation and Maintenance of Plant	6,261,091	5,686,473	5,545,147	4,496,575	4,539,670
Pupil Transportation	4,221,393	4,146,138	3,507,718	3,561,379	3,844,686
Central	679,368	452,991	366,002	394,771	375,654
Operation of Non-Instructional Services	49,741	86,579	455,896	423,915	461,669
Food Service Operations	1,375,405	1,374,912	929,583	1,055,732	1,051,996
Extracurricular Activities	1,964,828	1,741,989	1,471,733	1,419,943	1,590,228
Capital Outlay	439,058	751,087	257,773	0	53,270
Debt Service:					
Principal Retirement	3,084,140	2,758,499	2,641,909	2,525,371	2,423,883
Interest	324,051	423,299	542,768	657,004	766,336
Capital Appreciation Bonds Interest	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Issuance Costs	0	0	0	0	0
<i>Total Expenditures</i>	<u>65,974,202</u>	<u>64,193,722</u>	<u>59,051,665</u>	<u>55,950,332</u>	<u>53,657,711</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,483,506</u>	<u>4,292,361</u>	<u>337,373</u>	<u>(2,382,786)</u>	<u>(3,835,004)</u>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	0	2,000	0	0	19,965
Energy Conservation Bonds Issued	0	0	0	0	0
Refunding Bonds Issued	0	0	0	0	0
Premium on Debt Issuance	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0
Inception of Financed Purchase	309,067	0	0	0	0
Inception of Subscription	128,996	0	0	0	0
Transfers In	1,500,000	779,272	327,528	177,554	77,580
Transfers Out	(1,500,000)	(779,272)	(327,528)	(177,554)	(77,580)
<i>Total Other Financing Sources (Uses)</i>	<u>438,063</u>	<u>2,000</u>	<u>0</u>	<u>0</u>	<u>19,965</u>
<i>Net Change in Fund Balances</i>	<u>\$5,921,569</u>	<u>\$4,294,361</u>	<u>\$337,373</u>	<u>(\$2,382,786)</u>	<u>(\$3,815,039)</u>
Debt Service as a Percentage of Noncapital Expenditures	5.4%	5.1%	5.6%	5.9%	6.0%

(1) Revenues and expenses are first impacted by the implementation of GASB Statement No. 84 beginning in fiscal year 2021.

2018	2017	2016	2015	2014
\$34,990,039	\$28,293,069	\$32,552,871	\$34,061,836	\$36,013,119
1,316,449	1,723,253	1,285,013	968,477	483,379
11,656,375	13,415,941	12,924,308	13,471,493	13,842,819
186,477	74,561	158,872	39,424	19,450
1,049,516	1,156,757	847,909	882,819	849,545
755,890	761,172	801,077	798,975	858,560
795,600	785,626	665,540	1,073,115	1,154,818
110,636	79,288	32,246	116,221	23,216
52,004	51,588	64,982	63,592	64,741
173,718	121,611	234,451	276,869	79,252
51,086,704	46,462,866	49,567,269	51,752,821	53,388,899
20,623,937	18,906,080	18,959,543	18,323,735	17,559,996
7,725,688	7,731,546	6,426,639	6,285,801	5,996,400
215,505	189,556	114,941	111,564	119,812
110,236	28,330	85,845	85,303	87,536
3,524,260	3,382,997	3,379,899	3,262,075	3,128,396
1,012,074	945,230	920,225	877,676	843,635
34,898	29,157	28,803	26,999	25,382
3,014,475	2,847,845	2,845,145	2,647,209	2,730,787
1,187,415	1,292,407	1,402,148	1,164,884	1,442,065
301,735	291,832	330,318	308,746	324,923
3,812,387	3,586,958	3,602,490	3,618,716	3,459,711
3,297,146	3,112,260	2,842,202	2,230,451	2,248,140
329,840	287,165	512,959	375,334	641,237
477,410	789,126	583,740	703,940	651,988
1,011,612	1,041,862	1,163,509	1,164,548	1,243,968
1,476,060	1,751,942	1,420,704	1,733,527	1,775,336
510,824	122,427	1,358,976	377,378	1,054,531
2,412,445	611,314	730,031	983,125	1,004,223
872,337	949,810	1,135,871	1,003,019	1,151,783
0	1,669,738	1,589,676	1,269,963	1,210,777
0	253,649	0	0	0
0	60,000	0	242,101	0
51,950,284	49,881,231	49,433,664	46,796,094	46,700,626
(863,580)	(3,418,365)	133,605	4,956,727	6,688,273
0	0	19,376	1,631,721	2,055
0	0	0	0	729,744
0	9,805,000	0	14,975,000	0
0	0	0	2,057,168	0
0	(9,745,000)	0	(16,786,772)	0
0	0	0	0	0
0	0	0	0	0
77,604	577,545	79,417	72,565	43,277
(77,604)	(577,545)	(79,417)	(72,565)	(43,277)
0	60,000	19,376	1,877,117	731,799
(\$863,580)	(\$3,358,365)	\$152,981	\$6,833,844	\$7,420,072
6.5%	7.0%	7.1%	7.0%	7.2%

**Nordonia Hills City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Real Property				
Collection Year	Assessed Value			Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Total	
2023	\$933,456,640	\$180,269,960	\$1,113,726,600	\$3,182,076,000
2022	924,951,760	176,268,600	1,101,220,360	3,146,343,886
2021	917,699,910	177,126,560	1,094,826,470	3,128,075,629
2020	811,725,200	169,147,430	980,872,630	2,802,493,229
2019	802,390,160	169,194,980	971,585,140	2,775,957,543
2018	799,832,360	162,755,520	962,587,880	2,750,251,086
2017	743,988,280	182,791,410	926,779,690	2,647,941,971
2016	741,670,770	154,195,850	895,866,620	2,559,618,914
2015	738,025,160	155,684,700	893,709,860	2,553,456,743
2014	752,937,530	154,814,340	907,751,870	2,593,576,771

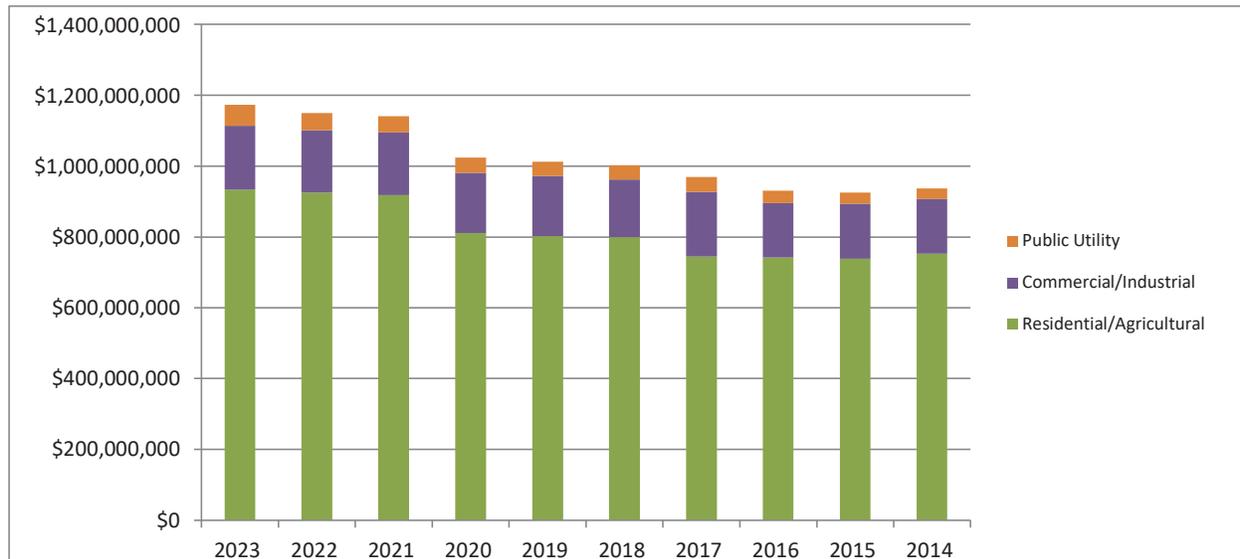
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

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

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

Tangible Personal Property		Total		Total Tax Rate	Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$59,411,950	\$67,513,580	\$1,173,138,550	\$3,249,589,580	\$75.09	\$41.050026
48,922,290	55,593,511	1,150,142,650	3,201,937,397	75.14	41.012960
45,348,840	51,532,773	1,140,175,310	3,179,608,401	75.12	40.856812
42,925,940	48,779,477	1,023,798,570	2,851,272,706	75.43	44.537830
40,966,250	46,552,557	1,012,551,390	2,822,510,100	68.43	37.489808
39,815,860	45,245,295	1,002,403,740	2,795,496,381	68.80	37.840325
42,394,450	48,175,511	969,174,140	2,696,117,483	68.79	39.593656
34,148,290	38,804,875	930,014,910	2,598,423,789	68.77	39.277918
31,124,800	35,369,091	924,834,660	2,588,825,834	68.94	39.291495
28,468,580	32,350,659	936,220,450	2,625,927,431	68.92	38.796665



**Nordonia Hills City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
 (Per \$1,000 of Assessed Value)  
 Last Ten Years

	2023	2022	2021	2020	2019
<b>Unvoted Millage</b>					
Operating	\$4.970000	\$4.970000	\$4.970000	\$4.970000	\$4.970000
<b>Voted Millage - by levy</b>					
1976 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	5.944956	5.965560	5.960067	6.699113	6.698509
Commercial/Industrial and Public Utility Real	6.888040	7.047691	7.017101	7.270467	7.264790
General Business and Public Utility Personal	26.280000	26.280000	26.280000	26.280000	26.280000
1978 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	1.017972	1.021500	1.020559	1.147108	1.147005
Commercial/Industrial and Public Utility Real	1.179459	1.206796	1.201558	1.244943	1.243971
General Business and Public Utility Personal	4.500000	4.500000	4.500000	4.500000	4.500000
1984 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	1.905843	1.912453	1.910692	2.147617	2.147423
Commercial/Industrial and Public Utility Real	2.325396	2.379299	2.368974	2.454510	2.452593
General Business and Public Utility Personal	5.400000	5.400000	5.400000	5.400000	5.400000
1988 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	1.803691	1.809948	1.808284	2.032510	2.032323
Commercial/Industrial and Public Utility Real	2.483843	2.541417	2.530390	2.621753	2.619706
General Business and Public Utility Personal	4.450000	4.450000	4.450000	4.450000	4.450000
1993 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	3.389112	3.400862	3.397730	3.819052	3.818707
Commercial/Industrial and Public Utility Real	4.658752	4.766745	4.746060	4.917420	4.913582
General Business and Public Utility Personal	7.200000	7.200000	7.200000	7.200000	7.200000
2000 Bond (\$38,500,000)	2.440000	2.490000	2.450000	2.720000	2.720000
2004 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	5.386452	5.405133	5.400161	6.069791	6.069238
Commercial/Industrial and Public Utility Real	6.030297	6.170086	6.143319	6.365131	6.360165
General Business and Public Utility Personal	6.500000	6.500000	6.500000	6.500000	6.500000
2008 Bond (\$6,000,000)	0.370000	0.370000	0.390000	0.430000	0.410000
2011 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	4.972110	4.989354	4.984764	5.602884	5.602374
Commercial/Industrial and Public Utility Real	5.624310	5.754684	5.729718	5.936598	5.931966
General Business and Public Utility Personal	6.000000	6.000000	6.000000	6.000000	6.000000
2019 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural Real	6.194184	6.215669	6.209952	6.980000	0.000000
Commercial/Industrial and Public Utility Real	6.612824	6.766111	6.736753	6.980000	0.000000
General Business and Public Utility Personal	6.980000	6.980000	6.980000	6.980000	0.000000

2018	2017	2016	2015	2014
\$4.970000	\$4.970000	\$4.970000	\$4.970000	\$4.970000
6.697100	7.173914	7.167948	7.165100	6.988088
7.300800	7.348098	7.295958	7.204600	7.233386
26.280000	26.280000	26.280000	26.280000	26.280000
1.146800	1.228410	1.227388	1.226900	1.196590
1.250100	1.258236	1.249308	1.233700	1.238593
4.500000	4.500000	4.500000	4.500000	4.500000
2.147000	2.299827	2.297916	2.297000	2.240254
2.464700	2.480716	2.463112	2.432300	2.441988
5.400000	5.400000	5.400000	5.400000	5.400000
2.031900	2.176566	2.174759	2.173900	2.120189
2.632700	2.649748	2.630946	2.598000	2.608380
4.450000	4.450000	4.450000	4.450000	4.450000
3.817900	4.089736	4.086338	4.084700	3.983796
4.937900	4.969929	4.934671	4.872900	4.892342
7.200000	7.200000	7.200000	7.200000	7.200000
3.050000	3.040000	3.020000	3.140000	3.150000
6.068000	6.500000	6.500000	6.500000	6.432101
6.391700	6.433102	6.387459	6.307500	6.332677
6.500000	6.500000	6.500000	6.500000	6.500000
0.450000	0.450000	0.450000	0.500000	0.470000
5.601200	6.000000	6.000000	6.000000	6.000000
5.961300	6.000000	6.000000	5.954400	5.978154
6.000000	6.000000	6.000000	6.000000	6.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000

(continued)

**Nordonia Hills City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
 (Per \$1,000 of Assessed Value)  
 Last Ten Years

	2023	2022	2021	2020	2019
<b>Total Voted Millage by type of Property</b>					
Residential/Agricultural Real	\$33.424320	\$33.580479	\$33.532209	\$37.648075	\$30.645579
Commercial/Industrial and Public Utility Real	38.612921	39.492829	39.313873	40.940822	33.916773
General Business and Public Utility Personal	<u>70.120000</u>	<u>70.170000</u>	<u>70.150000</u>	<u>70.460000</u>	<u>63.460000</u>
<b>Total Millage by type of Property</b>					
Residential/Agricultural Real	\$38.394320	\$38.550479	\$38.502209	\$42.618075	\$35.615579
Commercial/Industrial and Public Utility Real	43.582921	44.462829	44.283873	45.910822	38.886773
General Business and Public Utility Personal	<u>75.090000</u>	<u>75.140000</u>	<u>75.120000</u>	<u>75.430000</u>	<u>68.430000</u>
<b>Total Weighted Average Tax Rate</b>					
	<u>\$41.050026</u>	<u>\$41.012960</u>	<u>\$40.856812</u>	<u>\$44.537830</u>	<u>\$37.489808</u>
<b>Overlapping Rates by Taxing District</b>					
Boston Heights Village					
Effective Millage Rates					
Residential/Agricultural Real	\$5.504907	\$5.496135	\$5.484306	\$5.705975	\$5.708363
Commercial/Industrial and Public Utility Real	4.000043	4.038432	4.069479	4.741639	4.888594
General Business and Public Utility Personal	6.100000	6.100000	6.100000	6.100000	6.100000
City of Macedonia					
Effective Millage Rates					
Residential/Agricultural Real	3.811790	3.812256	3.811045	3.943255	3.943503
Commercial/Industrial and Public Utility Real	4.087669	4.130581	4.126667	4.166852	4.163932
General Business and Public Utility Personal	7.900000	7.900000	7.900000	7.900000	7.900000
Northfield Center Township					
Effective Millage Rates					
Residential/Agricultural Real	11.367413	11.372550	11.368479	11.178349	12.167605
Commercial/Industrial and Public Utility Real	11.624960	11.862131	11.834951	13.321208	12.400529
General Business and Public Utility Personal	17.510000	17.510000	17.510000	17.510000	17.510000
Northfield Village					
Effective Millage Rates					
Residential/Agricultural Real	6.620315	6.623966	6.628953	7.044277	7.044238
Commercial/Industrial and Public Utility Real	6.775912	6.775262	6.775262	6.975584	6.958499
General Business and Public Utility Personal	7.480000	7.480000	7.480000	7.480000	7.480000
Sagamore Hills Township					
Effective Millage Rates					
Residential/Agricultural Real	12.156593	10.741957	10.734523	11.890617	11.890438
Commercial/Industrial and Public Utility Real	13.674972	12.025712	11.884301	12.083768	12.083494
General Business and Public Utility Personal	14.430000	12.930000	12.930000	12.930000	12.930000
Twinsburg Township					
Effective Millage Rates					
Residential/Agricultural Real	13.779963	13.893455	13.870834	14.840938	14.842975
Commercial/Industrial and Public Utility Real	15.965199	16.280990	16.213211	16.469603	16.467223
General Business and Public Utility Personal	20.170000	20.170000	20.170000	20.170000	20.170000

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

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

Real property tax rates for continuing operating levies are reduced so that inflationary increases in value do not generate additional taxes.

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

**Source:** Ohio Department of Taxation

**Note:** Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.

2018	2017	2016	2015	2014
\$31.009900	\$32.958453	\$32.924349	\$33.087600	\$32.581018
34.439200	34.629829	34.431454	34.243400	34.345520
63.830000	63.820000	63.800000	63.970000	63.950000
\$35.979900	\$37.928453	\$37.894349	\$38.057600	\$37.551018
39.409200	39.599829	39.401454	39.213400	39.315520
68.800000	68.790000	68.770000	68.940000	68.920000
\$37.840325	\$39.593656	\$39.277918	\$39.291495	\$38.796665
\$5.705500	\$6.092567	\$6.100000	\$6.100000	\$6.100000
4.941200	5.748903	6.048834	6.100000	6.100000
6.100000	6.100000	6.100000	6.100000	6.100000
4.870900	5.030383	5.028937	5.029500	4.998792
5.166100	5.174041	5.172557	5.135800	5.173519
8.900000	8.900000	8.900000	8.900000	8.900000
11.806200	12.277210	12.276020	12.276000	9.192819
12.085200	12.106803	11.969610	11.937400	8.802501
17.150000	17.150000	17.150000	17.150000	14.150000
7.042100	7.233849	7.225914	7.223000	7.138902
6.958500	6.954032	6.953771	6.920300	7.130170
7.480000	7.480000	7.480000	7.480000	7.480000
10.886900	10.802814	10.802442	10.801000	10.748034
11.127500	10.416645	10.416645	10.416600	10.484373
11.930000	11.180000	11.180000	11.180000	11.180000
12.034200	12.550799	9.856698	9.926700	10.074887
13.473600	14.578775	11.797730	11.762800	11.935621
17.370000	17.370000	14.610000	14.610000	14.610000

**Nordonia Hills City School District**  
*Property Tax Levies and Collections (1)*  
*Last Ten Years*

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2022	\$47,173,746	\$45,502,165	96.46%	\$926,629	\$46,428,794	98.42%
2021	45,970,523	44,076,814	95.88	730,378	44,807,192	97.47
2020	45,606,707	44,918,034	98.49	611,251	45,529,285	99.83
2019	37,962,244	37,326,508	98.33	960,057	38,286,565	100.85
2018	37,931,329	37,353,161	98.48	578,168	37,931,329	100.00
2017	38,378,008	36,820,009	95.94	679,666	37,499,675	97.71
2016	36,529,179	35,848,545	98.14	688,725	36,537,270	100.02
2015	36,340,072	35,639,623	98.07	864,584	36,504,207	100.45
2014	36,322,323	35,562,444	97.91	844,615	36,407,059	100.23
2013	36,108,198	35,319,692	97.82	896,938	36,216,630	100.30

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as intergovernmental revenue.
- (2) The 2023 information cannot be presented because all collections have not been made by June 30, 2023.
- (3) The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

**Nordonia Hills City School District**

*Principal Taxpayers*

*Real Estate Tax*

*2023 and 2014*

Name of Taxpayer	2023	
	Assessed Valuation	Percent of Real Assessed Value
DOTRS Limited Liability Co.	\$8,606,370	0.77 %
Sagamore Owner 1 LLC	4,753,210	0.43
HGG Eaton Ridge LLC	4,599,000	0.41
Brentwood Real Estate LLC	4,269,980	0.38
AH Macedonia LLC	3,847,020	0.35
GW Macedonia LLC	3,091,260	0.28
MGP Lessor LLC	2,952,700	0.27
Cleveland Steel Warehouse LTD	2,424,070	0.22
Musca Properties LLC	2,277,440	0.20
Sagamore Hills Nominee, LP	2,222,550	0.20
<b>Total</b>	<b>\$39,043,600</b>	<b>3.51 %</b>
<b>Total Real Estate Valuation</b>	<b>\$1,113,726,600</b>	

Name of Taxpayer	2014	
	Assessed Valuation	Percent of Real Assessed Value
DOTRS Limited Liability Co.	\$8,054,510	0.89 %
HGG Eaton Ridge LLC	4,137,160	0.46
AERC Williamsburg, Inc.	4,099,620	0.45
GW Macedonia LLC	3,576,880	0.39
Musca Properties LLC	3,536,220	0.39
Northfield Park Associates LLC	2,952,700	0.33
Lowes Home Center, Inc.	2,790,600	0.31
Sagamore Square Enterprises LTD	2,634,430	0.29
Sacco of Macedonia LLC	2,492,200	0.27
Sagamore Hills Nominee, LP	2,432,710	0.26
<b>Total</b>	<b>\$36,707,030</b>	<b>4.04 %</b>
<b>Total Real Estate Valuation</b>	<b>\$907,751,870</b>	

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

**Nordonia Hills City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2023 and 2014*

Name of Taxpayer	2023	
	Assessed Valuation	Percent of Public Utility Assessed Value
American Transmission	\$32,978,650	55.51 %
Ohio Edison	16,619,190	27.97
Cleveland Electric Illuminating	5,174,520	8.71
East Ohio Gas	4,233,210	7.13
<b>Total</b>	<b>\$59,005,570</b>	<b>99.32 %</b>
<b>Total Public Utility Valuation</b>	<b>\$59,411,950</b>	

Name of Taxpayer	2014	
	Assessed Valuation	Percent of Public Utility Assessed Value
Ohio Edison	\$13,234,110	46.48 %
American Transmission	7,879,970	27.68
Cleveland Electric Illuminating	4,058,450	14.26
East Ohio Gas	3,002,650	10.55
Aqua Ohio, Incorporated	268,160	0.94
<b>Total</b>	<b>\$28,443,340</b>	<b>99.91 %</b>
<b>Total Public Utility Valuation</b>	<b>\$28,468,580</b>	

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

**Nordonia Hills City School District**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2023*

	Governmental Activities Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<b>Direct:</b>			
Nordonia Hills City School District			
General Obligation Bonds	\$10,199,553	100.00 %	\$10,199,553
Financed Purchases	<u>309,067</u>	100.00	<u>309,067</u>
<b>Total Direct</b>	<u>10,508,620</u>	100.00	<u>10,508,620</u>
<b>Overlapping:</b>			
City of Macedonia:			
General Obligation Bonds	12,561,717	97.70	12,272,798
Special Assessment Bonds	244,100	97.70	238,486
ODOT Loans	103,454	97.70	101,075
OPWC Loans	1,534,639	97.70	1,499,342
Northfield Village:			
OPWC Loans	3,273,358	100.00	3,273,358
Financed Purchases	556,821	100.00	556,821
Summit County:			
General Obligation Bonds	105,721,627	7.18	7,590,813
Financed Purchases	444,525	7.18	31,917
Lease Payable	<u>4,560,438</u>	7.18	<u>327,439</u>
<b>Total Overlapping</b>	<u>129,000,679</u>		<u>25,892,048</u>
<b>Total</b>	<u><u>\$139,509,299</u></u>		<u><u>\$36,400,668</u></u>

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

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

**Nordonia Hills City School District**  
*Ratio of Outstanding Debt  
to Estimated Actual Value, Personal Income, and Population  
Last Ten Fiscal Years*

Fiscal Year	Estimated Population	Estimated Actual Value	General Bonded Debt		
			General Bonded Debt	Ratio of General Bonded Debt to Estimated Actual Value	General Bonded Debt per Capita
2023	32,120	\$3,249,589,580	\$10,199,553	0.31 %	\$318
2022	32,391	3,201,937,397	13,324,874	0.42	411
2021	32,877	3,179,608,401	16,253,550	0.51	494
2020	32,247	2,851,272,706	19,065,636	0.67	591
2019	32,247	2,822,510,100	21,761,184	0.77	675
2018	32,247	2,795,496,381	24,355,244	0.87	755
2017	32,247	2,696,117,483	26,937,866	1.00	835
2016	32,247	2,598,423,789	29,646,181	1.14	919
2015	32,247	2,588,825,834	31,771,931	1.23	985
2014	32,247	2,625,927,431	32,624,796	1.24	1,012

(1) Personal income for this calculation is from the Demographic and Economic Statistics table on S26.

**Sources:** Office of the Treasurer, Nordonia Hills City School District and the U.S. Census Bureau

**Note:** Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

---



---

Financed Purchases	Total Debt	Percentage of Personal Income (1)	Per Capita
\$309,067	\$10,508,620	0.72 %	\$327
0	13,324,874	0.95	411
0	16,253,550	1.15	494
0	19,065,636	1.38	591
0	21,761,184	1.58	675
0	24,355,244	1.77	755
0	26,937,866	1.95	835
0	29,646,181	2.15	919
0	31,771,931	2.30	985
0	32,624,796	2.37	1,012

**Nordonia Hills City School District**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2023	2022	2021	2020
Total Assessed Valuation	\$1,173,138,550	\$1,150,142,650	\$1,140,175,310	\$1,023,798,570
Less Railroad and Telephone Property Valuation	(840,510)	(799,520)	(904,040)	(912,180)
Total Assessed Valuation used to Calculate Legal Debt Margin (1)	<u>\$1,172,298,040</u>	<u>\$1,149,343,130</u>	<u>\$1,139,271,270</u>	<u>\$1,022,886,390</u>
Debt Limit - 9% of Assessed Value (2)	\$105,506,824	\$103,440,882	\$102,534,414	\$92,059,775
Amount of Debt Outstanding				
General Obligation Bonds	9,628,645	12,583,789	15,342,288	17,984,197
Capital Appreciation Bonds	0	0	0	0
Less Amount Available in Bond Retirement Fund	<u>(2,431,747)</u>	<u>(1,932,659)</u>	<u>(1,892,615)</u>	<u>(1,727,702)</u>
Amount of Debt Subject to Limit	<u>7,196,898</u>	<u>10,651,130</u>	<u>13,449,673</u>	<u>16,256,495</u>
Overall Debt Margin	<u>\$98,309,926</u>	<u>\$92,789,752</u>	<u>\$89,084,741</u>	<u>\$75,803,280</u>
Legal Debt Margin as a Percentage of Debt Limit	93.18%	89.70%	86.88%	82.34%
Unvoted Legal Debt Limit - .10% of Assessed Value	\$1,172,298	\$1,149,343	\$1,139,271	\$1,022,886
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$1,172,298</u>	<u>\$1,149,343</u>	<u>\$1,139,271</u>	<u>\$1,022,886</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Bonds/Loans				
Debt Limit - 1% of Assessed Valuation	<u>\$11,722,980</u>	<u>\$11,493,431</u>	<u>\$11,392,713</u>	<u>\$10,228,864</u>
Additional Unvoted Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

**Source:** Summit County Fiscal Officer and School District Financial Records

(1) HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

(2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

2019	2018	2017	2016	2015	2014
\$1,012,551,390 (922,670)	\$1,002,403,740 (961,390)	\$969,174,140 (1,006,360)	\$930,014,910 (1,124,980)	\$924,834,660 (1,186,610)	\$936,220,450 (1,128,840)
<u>\$1,011,628,720</u>	<u>\$1,001,442,350</u>	<u>\$968,167,780</u>	<u>\$928,889,930</u>	<u>\$923,648,050</u>	<u>\$935,091,610</u>
\$91,046,585	\$90,129,812	\$87,135,100	\$83,600,094	\$83,128,325	\$84,158,245
20,509,568 0 (1,793,150)	22,933,451 0 (1,681,969)	25,345,896 0 (1,378,701)	25,391,949 565,261 (1,980,577)	25,476,656 1,210,585 (2,118,713)	26,149,744 1,925,622 (1,773,260)
<u>18,716,418</u>	<u>21,251,482</u>	<u>23,967,195</u>	<u>23,976,633</u>	<u>24,568,528</u>	<u>26,302,106</u>
<u>\$72,330,167</u>	<u>\$68,878,330</u>	<u>\$63,167,905</u>	<u>\$59,623,461</u>	<u>\$58,559,797</u>	<u>\$57,856,139</u>
79.44%	76.42%	72.49%	71.32%	70.45%	68.75%
\$1,011,629 0	\$1,001,442 0	\$968,168 0	\$928,890 0	\$923,648 0	\$935,092 0
<u>\$1,011,629</u>	<u>\$1,001,442</u>	<u>\$968,168</u>	<u>\$928,890</u>	<u>\$923,648</u>	<u>\$935,092</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>\$10,116,287</u>	<u>\$10,014,424</u>	<u>\$9,681,678</u>	<u>\$9,288,899</u>	<u>\$9,236,481</u>	<u>\$9,350,916</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**Nordonia Hills City School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

---



---

Year	Population	Total Personal Income	Per Capita Personal Income	Summit County Unemployment Rate
2023	32,120	\$1,460,978,200	\$45,485	3.6%
2022	32,391	1,398,578,598	43,178	4.4
2021	32,877	1,411,015,086	42,918	6.6
2020	32,247	1,378,623,744	42,752	8.2
2019	32,247	1,378,623,744	42,752	4.3
2018	32,247	1,378,623,744	42,752	5.2
2017	32,247	1,378,623,744	42,752	5.3
2016	32,247	1,378,623,744	42,752	5.0
2015	32,247	1,378,623,744	42,752	5.0
2014	32,247	1,378,623,744	42,752	4.8

**Sources:** U.S. Bureau of Census  
Summit County Fiscal Officer's Office  
Ohio Department of Job and Family Services

**Nordonia Hills City School District**

*Principal Employers*

2023 and 2014

2023			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
MGM Northfield Park Associates LLC	Gaming/Entertainment	969	0.38 %
Wal-Mart Associates, Inc.	Retail	690	0.27
WW Grainger Inc	Industrial Supplies and Equipment	507	0.20
Ohio State Home Services, Incorporated	Special Trades Contractor	414	0.16
Great Day Improvements, LLC	Patio Enclosures	389	0.15
Nordonia Hills City School District	Public Education	325	0.13
City of Macedonia	Government	251	0.10
TPC Wire and Cable Corporation	Supplies of Industrial Wire and Cable	155	0.06
Midwest Fastener Corporation	Fastener Supplier and Manufacturer	147	0.06
Northfield Village Retirement Community	Nursing Home	134	0.05
Total		<u>3,981</u>	<u>1.56 %</u>
Total Employment within County		<u>254,948</u>	

2014			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
Nordonia Hills City School District	Public Education	440	0.17 %
Ohio State Home Services, Incorporated	Special Trades Contractor	250	0.09
Great Day Improvements, LLC	Patio Enclosures	210	0.08
Empire Die Casting Company, Incorporated	Manufacturing	195	0.07
IER Fujikura, Incorporated	Custom Molded Rubber	170	0.06
City of Macedonia	Government	160	0.06
Ohio Materials Handling, Incorporated	Equipment Dealership	150	0.06
TPC Wire and Cable Corporation	Supplies of Industrial Wire and Cable	150	0.06
Design Molded Plastics, Incorporated	Manufacturing	140	0.05
Total		<u>1,865</u>	<u>0.70 %</u>
Total Employment within County		<u>265,400</u>	

**Source:** Regional Income Tax Agency (RITA)  
Summit County Fiscal Officer's Office

**Nordonia Hills City School District**  
*Building Statistics by School Building/Facility*  
*Last Ten Fiscal Years*

	2023	2022	2021	2020	2019
<b>Lee Eaton Elementary</b>					
Constructed in 1953					
Total Building Square Footage	64,719	64,719	64,719	64,719	64,719
Enrollment - Grades 5 - 6	520	487	501	558	608
<b>Ledgeview Elementary</b>					
Constructed in 1963					
Total Building Square Footage	66,438	66,438	66,438	66,438	66,438
Enrollment - Grades K - 4	418	445	410	486	468
<b>Northfield Elementary</b>					
Constructed in 1963					
Total Building Square Footage	63,072	63,072	63,072	63,072	63,072
Enrollment - Grades K - 4	330	334	348	382	375
<b>Rushwood Elementary</b>					
Constructed in 1970					
Total Building Square Footage	49,194	49,194	49,194	49,194	49,194
Enrollment - Grades K - 4	341	328	322	363	386
<b>Nordonia Middle School</b>					
Constructed in 1928					
Total Building Square Footage	115,067	115,067	115,067	115,067	115,067
Enrollment - Grades 7 - 8	504	566	638	606	554
<b>Nordonia High School</b>					
Constructed in 1960					
Total Building Square Footage	227,862	227,862	227,862	227,862	227,862
Enrollment - Grades 9 - 12	1,174	1,143	1,162	1,217	1,220

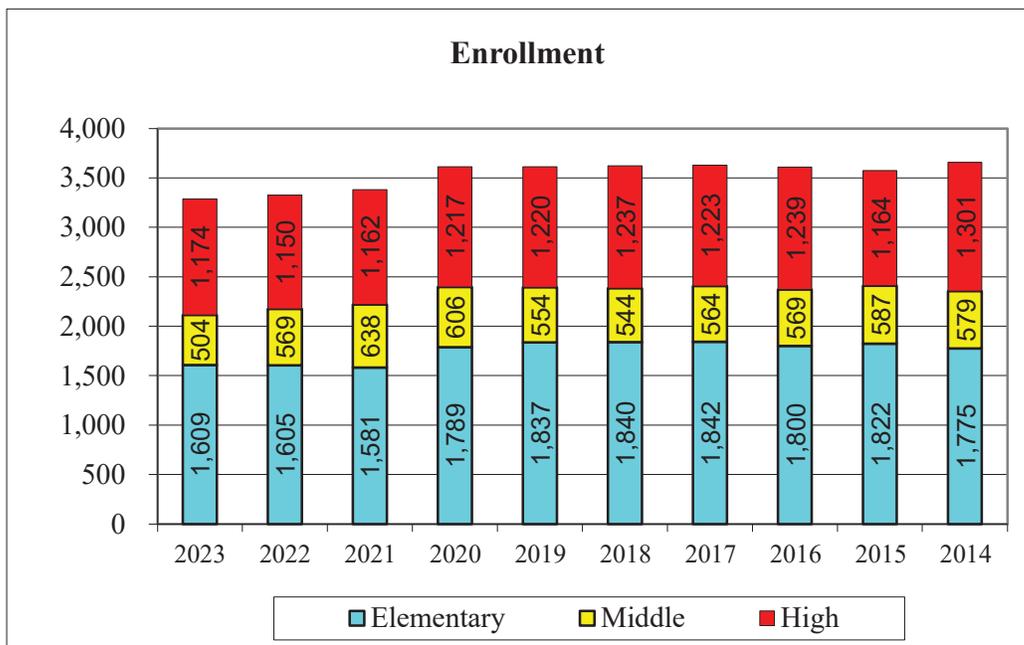
Source: School District Records

2018	2017	2016	2015	2014
64,719 576	64,719 541	64,719 519	64,719 543	64,719 564
66,438 467	66,438 470	66,438 488	66,438 470	66,438 468
63,072 397	63,072 413	63,072 386	63,072 419	63,072 374
49,194 400	49,194 418	49,194 407	49,194 390	49,194 369
115,067 544	115,067 564	115,067 569	115,067 587	115,067 579
227,862 1,237	227,862 1,223	227,862 1,239	227,862 1,164	227,862 1,301

## Nordonia City School District

### *Enrollment Statistics Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle Schools	High School	Total
2023	1,609	504	1,174	3,287
2022	1,605	569	1,150	3,324
2021	1,581	638	1,162	3,381
2020	1,789	606	1,217	3,612
2019	1,837	554	1,220	3,611
2018	1,840	544	1,237	3,621
2017	1,842	564	1,223	3,629
2016	1,800	569	1,239	3,608
2015	1,822	587	1,164	3,573
2014	1,775	579	1,301	3,655



**Sources:** Ohio Department of Education and Workforce Local Report Cards and Data Warehouse Reports

**Nordonia Hills City School District**

*Attendance and Graduation Rates*

*Last Ten Fiscal Years*

---

---

<u>Fiscal Year</u>	<u>Nordonia Hills City School District Attendance Rate</u>	<u>State Average</u>	<u>Nordonia Hills City School District Graduation Rate</u>	<u>State Average</u>
2023	93.30%	91.10%	96.20%	87.30%
2022	94.10	90.40	97.30	87.00
2021	95.60	91.50	97.33	87.20
2020	96.70	95.60	96.30	85.90
2019	95.70	94.50	98.00	85.30
2018	95.80	93.90	96.90	84.10
2017	95.90	93.90	97.20	83.40
2016	96.00	94.00	95.20	83.00
2015	96.20	94.50	94.60	81.30
2014	96.20	95.20	96.40	81.30

**Sources:** Ohio Department of Education and Workforce Local Report Cards and Data Warehouse Reports

**Nordonia Hills City School District**

*Per Pupil Cost  
Last Ten Fiscal Years*

Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
2023	3,287	(1.11) %	\$62,566,011	\$19,034
2022	3,324	(1.69)	61,011,924	18,355
2021	3,381	(6.40)	55,866,988	16,524
2020	3,612	0.03	52,767,957	14,609
2019	3,611	(0.28)	50,467,492	13,976
2018	3,621	(0.22)	48,665,502	13,440
2017	3,629	0.58	46,336,720	12,768
2016	3,608	0.98	45,978,086	12,743
2015	3,573	(2.24)	43,297,886	12,118
2014	3,655	(3.23)	43,333,843	11,856

(1) Debt Service totals have been excluded.

(2) Due to the coronavirus pandemic, the School District was allowed to provide universal free lunches from the federal government during fiscal years 2021 and 2022.

**Source:** School District Records  
Ohio Department of Education and Workforce

Governmental Activities		Students Receiving Free and Reduced Lunches		
Total Expenses (1)	Per Pupil Cost	Number of Lunches Served	Percentage of Free Lunches (2)	Percentage of Reduced Lunches
\$61,434,451	\$18,690	220,240	21.32 %	2.60 %
55,985,091	16,843	328,703	100.00	0.00
59,178,348	17,503	162,697	100.00	0.00
57,016,817	15,785	107,072	25.10	6.42
47,861,475	13,254	220,752	23.50	6.73
28,885,571	7,977	209,605	27.74	6.11
50,743,003	13,983	220,581	28.51	6.06
46,583,386	12,911	237,396	27.35	6.99
43,469,284	12,166	233,603	28.44	8.59
44,345,627	12,133	259,260	29.30	9.37

**Nordonia Hills City School District**  
*School District Employees by Function/Program*  
*Last Ten Fiscal Years*

Function/Program	2023	2022	2021	2020	2019
<b>Regular Instruction</b>					
Elementary Classroom Teachers	80.0	80.0	79.0	76.0	78.0
Middle School Classroom Teachers	29.0	29.0	27.0	24.0	22.0
High School Classroom Teachers	56.0	56.0	55.0	55.0	55.0
Special Teachers (Art, Music, PE)	25.0	24.0	27.0	28.0	28.0
Tutors/Small Group Instructors	1.0	2.0	2.0	2.0	1.8
<b>Special Instruction</b>					
Gifted Education Teachers	4.0	3.0	3.0	3.0	2.0
Special Education Teachers	38.5	40.5	37.5	36.5	36.5
<b>Vocational Instruction</b>					
	2.0	2.0	2.0	2.0	2.0
<b>Pupil Support Services</b>					
Guidance Counselors	11.0	11.0	11.0	11.0	10.0
Psychologist	4.7	4.7	4.3	4.6	4.6
Speech Pathologists	5.0	4.0	4.0	4.0	4.0
Community Intervention	1.0	1.0	1.0	1.0	1.0
<b>Instructional Staff Support Services</b>					
Teacher Aides	74.0	61.0	48.0	0.0	5.0
Attendants	43.0	45.0	54.0	71.0	68.0
Monitors	9.0	13.0	11.0	49.0	43.0
Technicians	1.0	1.0	1.0	1.0	1.0
Media Specialist/Librarian	1.0	1.0	1.0	1.0	1.0
Library Aides	9.0	7.0	8.0	8.0	9.0
<b>Administration Support Services</b>					
Elementary Schools	5.0	5.0	5.0	5.0	5.0
Middle School	3.0	2.0	2.0	2.0	2.0
High School	4.0	4.0	4.0	4.0	4.0
Districtwide	6.0	6.0	6.0	6.0	6.0
Clerical	20.0	20.0	18.0	18.0	18.0
Fiscal Staff	7.0	7.0	7.0	7.0	7.0
<b>Operation of Plant</b>					
Supervisor	1.0	1.0	1.0	1.0	1.0
Custodians	33.0	35.0	28.0	25.0	25.0
Part-Time Cleaners	5.0	0.0	1.0	0.0	1.0
Maintenance	5.0	4.0	4.0	4.0	4.0
Courier	1.0	1.0	1.0	1.0	1.0
<b>Food Service Program</b>					
Supervisor	1.0	1.0	1.0	1.0	1.0
Food Service Workers	26.0	29.0	24.0	25.0	24.0
<b>Total</b>	<u>511.2</u>	<u>500.2</u>	<u>477.8</u>	<u>476.1</u>	<u>470.9</u>

**Method:** The amounts are based on a headcount by function including both full and part-time employees, as of June 30.

**Source:** School District Payroll Records

2018	2017	2016	2015	2014
77.0	77.0	78.0	81.0	75.0
23.0	22.0	21.0	20.0	20.0
54.0	54.0	56.0	55.0	55.0
28.0	28.0	27.0	28.0	28.0
2.8	2.8	3.0	3.0	2.0
2.0	2.0	2.0	2.0	2.0
33.5	32.5	31.0	31.0	30.0
2.0	2.0	1.0	1.0	1.0
10.0	10.0	10.0	10.0	10.0
4.6	4.0	5.0	5.0	5.0
4.0	4.6	4.0	4.0	4.0
1.0	1.0	1.0	1.0	1.0
6.0	8.0	11.0	13.0	13.0
76.0	66.0	58.0	55.0	60.0
32.0	30.0	34.0	31.0	21.0
1.0	1.0	1.0	1.0	1.0
1.0	1.0	1.0	1.0	1.0
9.0	9.0	9.0	8.0	8.0
5.0	5.0	5.0	5.0	5.0
2.0	2.0	2.0	2.0	2.0
4.0	4.0	4.0	4.0	4.0
6.0	6.0	6.0	6.0	6.0
18.0	18.0	18.0	18.0	17.0
7.0	7.0	7.0	7.0	7.0
1.0	1.0	1.0	1.0	1.0
25.0	25.0	25.0	25.0	28.0
2.0	3.0	0.0	0.0	0.0
4.0	4.0	3.5	4.0	4.0
1.0	1.0	1.0	1.0	1.0
1.0	1.0	1.0	1.0	1.0
25.0	25.0	31.0	28.0	28.0
467.9	456.9	457.5	452.0	441.0

**Nordonia Hills City School District**  
*Full-Time Equivalent Certified School District Employees by Education*  
*Last Ten Fiscal Years*

Degree	2023	2022	2021	2020	2019
Bachelor	12.00	16.00	18.00	20.00	20.00
Bachelor + 15	6.00	9.00	9.00	7.00	7.00
Bachelor + 30	23.00	26.00	26.00	22.50	22.50
Master	59.00	37.00	68.00	66.00	74.00
Master + 15	52.00	53.00	58.00	58.00	52.00
Master + 30	101.00	111.00	72.00	69.60	66.40
PhD	4.00	4.00	4.00	5.00	4.00
<b>Total</b>	<b>257.00</b>	<b>256.00</b>	<b>255.00</b>	<b>248.10</b>	<b>245.90</b>

**Source:** School District Records

---

---

2018	2017	2016	2015	2014
22.00	21.00	18.00	19.50	15.00
8.00	6.00	8.00	4.00	6.00
22.50	24.50	28.00	31.00	31.00
77.00	77.00	89.00	97.00	101.50
51.00	53.00	49.00	43.79	38.76
58.40	55.40	43.00	40.60	37.00
4.00	4.00	4.00	3.00	2.00
<u>242.90</u>	<u>240.90</u>	<u>239.00</u>	<u>238.89</u>	<u>231.26</u>

*(This Page Intentionally Left Blank.)*

# OHIO AUDITOR OF STATE KEITH FABER



**NORDONIA HILLS CITY SCHOOL DISTRICT**

**SUMMIT COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 1/9/2024**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)