



Comprehensive Annual Financial Report



Fiscal Year Ending June 30, 2021

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Licking Heights Local School District

Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2021

Issued by:
Office of the Treasurer

Todd Griffith
Treasurer

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

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Introductory Section

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LICKING HEIGHTS LOCAL SCHOOLS

6539 Summit Rd. SW, Pataskala, OH 43062

p. (740) 927-6926 | f. (740) 927-9043

December 6, 2021

To the Citizens and Board of Education of the Licking Heights Local School District:

On behalf of the school district, I am pleased to share the Comprehensive Annual Financial Report of the Licking Heights Local School District (the “District”). This Comprehensive Annual Financial Report, which includes a clean opinion unmodified from Julian & Grube, Inc., complies with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District's management. To the best of our knowledge and belief, this Comprehensive Annual Financial Report and the enclosed data are accurate in all material respects and are reported in a manner designed to fairly represent the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction. The District's MD&A immediately follows the Independent Auditor's Report.

The Comprehensive Financial Report includes all funds of the District. The District provides a full range of traditional educational programs, services and facilities. These include elementary and secondary curriculum, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, as well as, special education programs and facilities.

In addition to providing public education functions, the District has administrative responsibility for state funds distributed to private/auxiliary schools located within District boundaries. In accordance with Governmental Accounting Standards Board (GASB) Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While private/auxiliary schools share operational and service similarities with the District, all are separate and distinct entities. Therefore, private/auxiliary schools' financial statements are not included in this report.

The Board of Education (hereafter the “Board”) of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body and policy initiator for the operation of the District. The Board is responsible for the adoption of the tax budget, annual operating budget and approval of District expenditures. The Board is a political and corporate body, as defined by Section 3313.02 of the Ohio Revised Code (ORC), and only has those powers and authority conferred upon it by the ORC.



LICKING HEIGHTS LOCAL SCHOOLS

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PROFILE OF THE SCHOOL DISTRICT

Licking Heights Local Schools is located approximately 20 minutes east of Columbus, providing residents with a rapidly growing, diverse community. The school district serves preschool through twelfth grade, and covers an area of 36 square miles, including parts of Blacklick, Pataskala, Reynoldsburg, Summit Station, and the City of New Albany, as well as, the townships of Etna, Jefferson, Jersey, St. Albans and Truro, and neighborhoods within a small portion of the City of Columbus.

Licking Heights is one of the fastest-growing school districts in Ohio, with a diverse student population speaking more than 42 languages. The District focuses on student learning and achievement while looking toward the future as it continues to be recognized as a leader in innovative best practices.

The District developed a mission statement to continue to guide the work moving forward.

District Mission Statement

Honoring our legacy. Inspiring the present. Ready for the future.

Focus

All employees will be accountable for implementing research-based practices, including a rigorous and aligned curriculum, common assessments, focused instruction and data-driven decisions to achieve the best academic and developmental outcomes for every student within a fiscally sustainable budget.

ENROLLMENT

The District's K-12 enrollment for FY21 was 4,722. With the addition of our new high school, the District is now able to accommodate growth, through build-out, with a maximum space accommodation of 5,500 students. The reconfiguration of several school buildings for the 2020-2021 school year maximizes learning for all students.

The District's enrollment is based on actual enrollment during the first full week of October and does not include students living within the District's attendance area who attend charter or private schools.

Long-term Financial Planning

The financial forecast of General Fund operations for the next five years assumes the District's fiscal year (FY) 2022 and 2023 ending General Fund cash balance will be approximately \$24,811,724 and \$20,036,287 respectively, with continued declining balances thereafter.

The increase in cash balance from fiscal year 2020 to fiscal year 2021 is due to the District's focus on economic development. This focus has yielded a significant increase in monies from revenue sharing agreements and TIF payments, with expenditures only moderately increasing.



ECONOMIC CONDITION AND OUTLOOK

The District, along with many other public schools in the state, relies heavily on local property tax as a primary source of funds. Ohio law limits the growth in real estate revenues by reducing millage as assessed values increase following re-appraisals. Consequently, revenues generated from each levy remain relatively constant. As a result, the District must periodically seek additional funding from its taxpaying constituents. The District successfully passed a first ballot substitute levy in May, 2019 with the support of the community.

Licking Heights' state funding has been limited by a funding gain cap for many years. Based on current legislation, the cap in fiscal years 2019 and 2020 resulted in state basic aid of a 5.9 % increase in FY19 and a 5.6 % increase in FY20.

As a result of HB166, the FY20-21 state budget was frozen funding for all school districts in Ohio at their FY20 level with the only exception being the addition of Enrollment Growth Supplement money for a small number of growing districts. The District is estimated to receive enrollment growth money for FY21-22 and will treat it as guaranteed for FY22-24. The only increase in funding to all districts in Ohio is restricted use money for Student Wellness and Success, placed in Fund 467. This is not General Fund money and is not included in the forecast. The administrators have assumed Student Wellness and Success money will continue after FY21 but be included in the base funding from the new state funding formula.

Due to the COVID-19 pandemic, state funding was cut by \$435,583 in FY20 and FY21 for Licking Heights. Districts across the state have faced similar reductions.

INSTRUCTIONAL AND ACADEMIC ACHIEVEMENT

Academics

Licking Heights offers traditional college preparation courses, Advanced Placement (AP), as well as, a College Credit Plus program. Students also are eligible to graduate with an honors diploma or elect as juniors to attend Licking County's career technical school (C-TEC). Any student who completes one of these curricula will meet the academic requirements necessary for graduation. The District launched new college and career pathways in fall, 2021.

Special programs

Licking Heights Local Schools offers Spanish and Mandarin Chinese world languages. The District has offered Mandarin Chinese since its initial pilot in 2012 and currently serves 227 students in grades 7-12. The program has two Confucius Classroom teachers. The program was recognized as a Confucius Classroom at the 2014 National Chinese Language Conference in Los Angeles and has led four student trips to China in 2015, 2016, 2017 and 2018.

Licking Heights also offers two career tech pathways in partnership with C-TEC that are hosted onsite at the high school: Teaching Careers and State Tested Nursing Assistant (STNA).

Licking Heights provides self-contained and clustered classrooms to meet the needs of gifted students in grades 3-5 and provides advanced coursework for middle and high school students. Additionally, accelerated placement is an option available to all students. A number of student clubs, activities and organizations are available such as: Art Club, DECA, National Honor Society, Quiz Bowl, Student Council, Model UN, Chess Club, Diaspora, Cultural Identity Club, Gay Straight Alliance and Environmental Club.



LICKING HEIGHTS LOCAL SCHOOLS

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Partnerships

The Licking Heights Local School District has partnered with the Cleveland Browns Foundation to increase student attendance and graduation rate. The District is one of 19 schools in Ohio to partner with National Center for Rural Education Research Networks and Proving Ground, focusing on school improvement. The District has partnered with Columbus State Community College and the Educational Service Center of Central Ohio on multiple grants and initiatives: i3 College and Career Readiness Grant, Striving Readers Grants focused on literacy in grades 6-12 and Expanding Opportunities Career Pathways grant. The District has also partnered with Facebook who provided Chromebooks to our students during the pandemic. Facebook also sponsored the District's first STEAM classroom at our recently constructed high school.

EMPLOYEE RELATIONS

The District currently has approximately 520 full-time and part-time employees. There are two organizations representing District employees. The Licking Heights Education Association (LHEA) represents certificated employees, including teachers and educational specialists, for collective bargaining purposes. Classified employees, including bus drivers, transportation assistants, food service employees, custodians, and clerical staff, are represented for collective bargaining purposes by the Licking Heights Educational Support Professionals Association (LHESPA). During spring 2018, the Board successfully concluded negotiations with both labor organizations on a multi-year agreement. The LHEA and LHESPA agreements provide a stable contractual relationship through summer 2022 and include raises of 2.50%, 2.00%, and 2.00%.

FINANCIAL POLICIES AND INFORMATION

The District's Program of Studies will continue to be revised and updated to provide students with instruction closely correlated with the state's academic content standards. To support the effective implementation of the new course offerings, additional financial resources will be needed to train teachers and to provide students with current learning materials and equipment.

Internal Controls

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



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Budgetary Controls

The budgetary process is prescribed by the ORC and entails the preparation of budget documents within an established timeline. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both prepared on a budgetary basis of accounting. The certificate of estimated resources and appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The level of budgetary control imposed by the District (the level at which expenditures cannot exceed the appropriated amount) is at the fund level for all funds and is in conformity with the ORC. Any budgetary modifications only may be made by resolution of the Board of Education. Also, the District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

Independent Audit

The Office of Management and Budget Uniform Guidance requires an annual audit by an independent auditor. Julian & Grube, Inc. conducted the District's fiscal year 2021 audit. In addition to state statute requirements, the audit also met the requirements of OMB Uniform Guidance. The Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

Acknowledgements

This report is compiled and prepared by the Treasurer's Office. Special acknowledgement is given to the Superintendent of Schools and Licking Heights Board of Education for their leadership and commitment to the students, staff and community of the Licking Heights Local School District.

Respectfully submitted,

Todd Griffith, Treasurer

**LICKING HEIGHTS LOCAL SCHOOLS
ELECTED OFFICIALS AND ADMINISTRATION
AS OF JUNE 30, 2021**

BOARD OF EDUCATION MEMBERS

President	Mr. Mark Rader
Vice-President	Mr. Paul Johnson
Member	Mr. Brian Bagley
Member	Mrs. Tiffany Blumhorst
Member	Mr. Tracy Russ

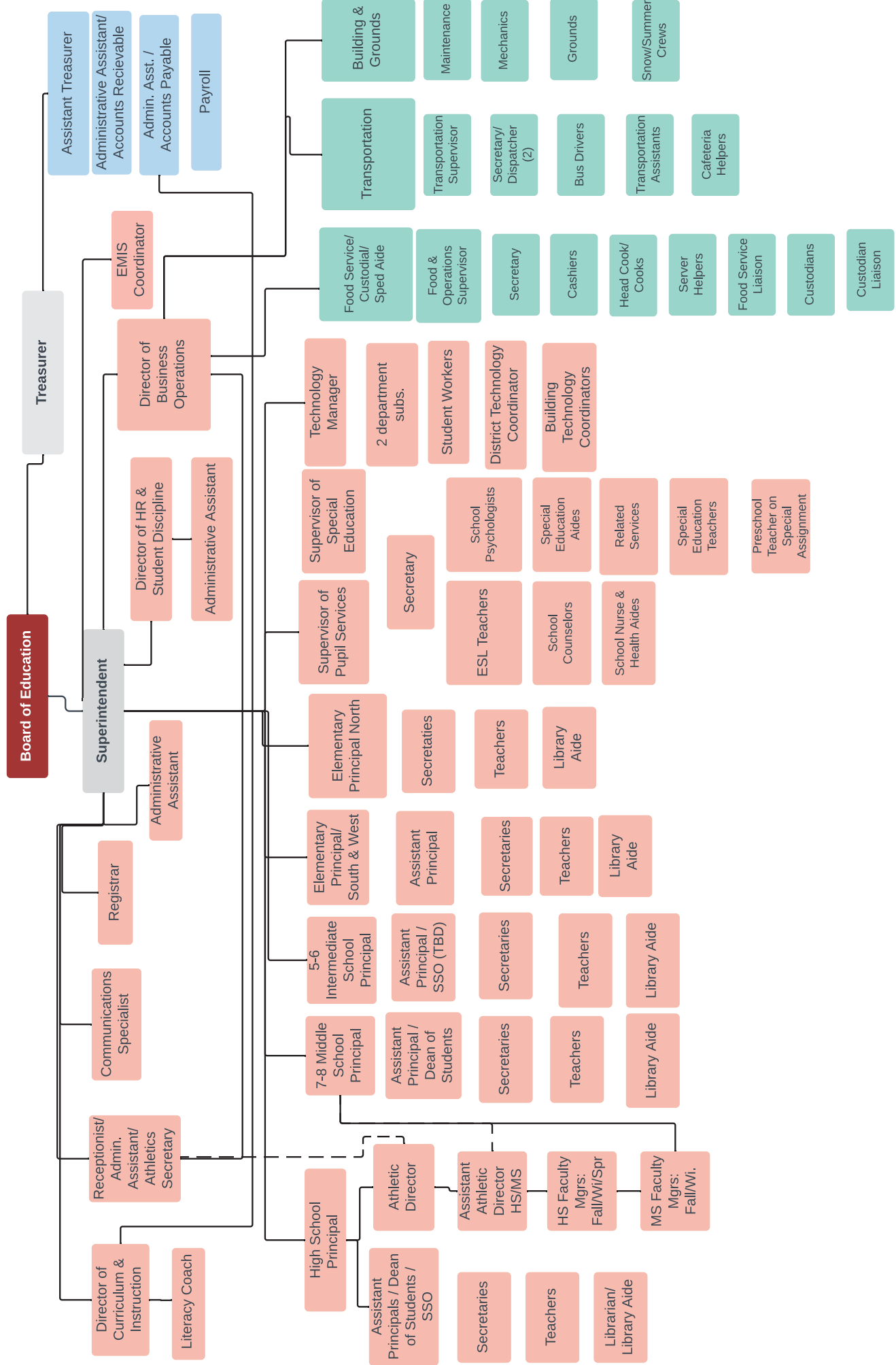
APPOINTED OFFICIALS

Superintendent	Dr. Philip Wagner
Treasurer	Mr. Todd Griffith

ADMINISTRATIVE STAFF

Director of Human Resources	Ms. Kim Henderson
Director of Curriculum and Instruction	Mrs. Anna Annett
Director of Business Operations	Mr. Dan Miller
Supervisor of Pupil Services	Mr. Mitch Tom
Supervisor of Special Education	Ms. Sara Morman
High School Principal	Mrs. Tiffane' Warren
Middle School Principal	Mr. Corey Stroud
Intermediate School Principal	Mrs. Angel King
Elementary School Principal	Mr. Kurt Scheiderer
Elementary School Principal	Mrs. Krissy Machamer
Athletic Director	Ms. Ellie Geiger
Assistant Athletic Director	Mrs. Rita Pendexter
District Technology Manager	Mr. Darian Kovach
Supervisor of Food Service	Mrs. Ginger Parsons
Transportation Supervisor	Mrs. Darlene Mortine
Assistant Treasurer	Mrs. Amy Ucan

Licking Heights Local School District Organizational Flow Chart 2020-2021





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Licking Heights Local School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell

Executive Director/CEO



Financial Section

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Independent Auditor's Report

Licking Heights Local School District
Licking County
6539 Summit Road SW
Pataskala, Ohio 43062

To the Board of Education:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Emphasis of Matters

As described in Note 20 to the financial statements, in 2021, the Licking Heights Local School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Licking Heights Local School District. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2021, on our consideration of the Licking Heights Local School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Licking Heights Local School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Licking Heights Local School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 6, 2021

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

This discussion and analysis of the Licking Heights Local School District’s (the “School District”) financial performance provides an overall review of the School District’s financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the School District’s financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the School District’s financial performance.

Financial Highlights

Key financial highlights for fiscal year 2021 are as follows:

- At fiscal year-end, the School District’s Net Position totaled \$29.9 million, a \$13.5 million increase in comparison with the prior fiscal year.
- General and Program-specific revenues totaled \$66.7 million and \$5.7 million, respectively.
- The School District had \$58.9 million in expenses. As stated above, only \$5.7 million of these expenses were offset by program revenues. The net expenses of the School District’s programs are funded by general revenues, consisting primarily of property taxes and unrestricted grants and entitlements.

Using the Basic Financial Statements

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

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

These two statements report the School District’s net position and changes in 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, and some not. Non-financial factors include the School District’s property tax base, current property tax laws in Ohio restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District only reports governmental activities. Governmental activities are the activities where all of the School District’s programs and services are reported including, but not limited to, instruction, support services, and extracurricular activities.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General Fund, Bond Retirement Fund, Building Fund and Classroom Facilities Fund.

Governmental Funds

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Proprietary Fund

The School District utilizes one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District uses an internal service fund to account for the management of its medical, prescription drug and dental self-insurance activities. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements begin on page 27 of this report.

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School District, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$29.9 million (net position) at the close of the current fiscal year.

An analysis of fiscal year 2021 in comparison with fiscal year 2020 follows for the Statement of Net Position:

	2021	Restated 2020	Change
Current Assets	\$ 91,025,659	\$ 95,822,254	-5.01%
Capital Assets	114,401,928	109,522,527	4.46%
Net OPEB Asset	2,713,348	2,497,196	8.66%
Total Assets	<u>208,140,935</u>	<u>207,841,977</u>	0.14%
Unamortized Amount on Refunding	1,388,120	1,170,062	18.64%
Pension	10,093,685	10,623,665	-4.99%
OPEB	1,327,629	1,094,166	21.34%
Total Deferred Outflows of Resources	<u>12,809,434</u>	<u>12,887,893</u>	-0.61%
Current Liabilities	6,539,779	13,845,523	-52.77%
Long-term Liabilities:			
Due Within One Year	6,403,029	5,717,023	12.00%
Due in More Than One Year:			
Net Pension Liability	47,817,491	43,085,363	10.98%
Net OPEB Liability	3,488,049	4,180,659	-16.57%
Other Amounts Due in More Than One Year	92,217,235	98,251,420	-6.14%
Total Liabilities	<u>156,465,583</u>	<u>165,079,988</u>	-5.22%
Property and Other Local Taxes	28,446,787	32,401,375	-12.21%
Pension	777,461	2,451,640	-68.29%
OPEB	5,331,133	4,384,226	21.60%
Total Deferred Inflows of Resources	<u>34,555,381</u>	<u>39,237,241</u>	-11.93%
Net Investment in Capital Assets	19,034,042	14,265,858	33.42%
Restricted	19,380,902	14,816,834	30.80%
Unrestricted	(8,485,539)	(12,670,051)	33.03%
Total Net Position	<u>\$ 29,929,405</u>	<u>\$ 16,412,641</u>	82.36%

Capital Assets and Net Investment in Capital Assets both increased significantly in comparison with the prior fiscal year-end. These changes are primarily the result of increases in capital assets as a result of the School District completing their new high school building.

Current liabilities decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of a decrease in accounts payable related to School District projects. The School District completed construction on the new high school during the fiscal year.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Other Long-term Liabilities decreased significantly in comparison with the prior fiscal year-end. This decrease represents the principal reduction payments.

The net pension and net OPEB liabilities, net OPEB asset, and related deferred outflows and inflows of resources related to pensions/OPEB all fluctuated significantly in comparison with the prior fiscal year-end. These fluctuations are primarily the result of changes in benefit terms, changes in actuarial assumptions, and greater than expected returns on pension plan investments.

An analysis of fiscal year 2021 in comparison with fiscal year 2020 follows for the Statement of Activities:

	Governmental Activities		
	2021	2020	Percent Change
Program Revenues			
Charges for Services	\$ 869,404	\$ 2,071,017	-58.02%
Operating Grants and Contributions	4,864,067	4,914,997	-1.04%
General Revenues			
Property Taxes	41,066,807	27,341,961	50.20%
Revenue in Lieu of Taxes	7,512,168	7,979,236	-5.85%
Grants and Entitlements not Restricted to Specific Programs	16,953,928	16,329,404	3.82%
Investment Earnings	53,106	1,403,158	-96.22%
Miscellaneous	1,137,995	2,357,009	-51.72%
Total Revenues	<u>72,457,475</u>	<u>62,396,782</u>	16.12%
Program Expenses			
Instruction	35,908,284	32,505,047	10.47%
Support Services	17,743,878	17,651,765	0.52%
Non-Instructional Services	1,665,118	2,079,710	-19.94%
Extracurricular Activities	833,572	923,723	-9.76%
Interest and Fiscal Charges	2,789,859	3,672,617	-24.04%
Total Expenses	<u>58,940,711</u>	<u>56,832,862</u>	3.71%
Change in Net Position	<u>13,516,764</u>	<u>5,563,920</u>	
Net Position at Beginning of Year	16,412,641	10,756,372	
Restatement, See Note 20	<u>-</u>	<u>92,349</u>	
Net Position at End of Year	<u>\$ 29,929,405</u>	<u>\$ 16,412,641</u>	

The comparative column was not restated for the implementation of GASB 84.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Charges for services decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of a reduction in food service and extracurricular activities charges as a result of the COVID-19 pandemic.

Property taxes increased significantly in comparison with the prior fiscal year. While the School District's property tax base has increased, this increase is primarily the result of an increase in property taxes available for advance at fiscal year-end, compared with amounts available for advance at the end of the previous fiscal year.

Investment earnings decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of a decrease in investments held by the School District with the completion of the new high school.

Miscellaneous revenue decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of the School District receiving donations from Facebook and Licking County in the prior fiscal year.

Non-instructional services decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of a decrease in food service expenditures incurred due to the COVID-19 pandemic.

Interest and fiscal charges also decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of debt refundings in each of the past two fiscal years, both of which resulted in lower interest rates.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the costs of program services and the net cost of those services after taking into account program revenues. General revenues including tax revenue, unrestricted State entitlements and investment earnings must support the net cost of program services.

An analysis of fiscal year 2021 in comparison with fiscal year 2020 follows:

	Total Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2021	Net Cost of Services 2020
Program expenses				
Instruction	35,908,284	32,505,047	\$ 32,809,576	\$ 28,468,995
Support Services	17,743,878	17,651,765	17,097,926	17,180,079
Non-Instructional Services	1,665,118	2,079,710	(66,788)	88,620
Extracurricular Activities	833,572	923,723	576,667	436,537
Interest and Fiscal Charges	2,789,859	3,672,617	2,789,859	3,672,617
Total	<u>\$ 58,940,711</u>	<u>\$ 56,832,862</u>	<u>\$ 53,207,240</u>	<u>\$ 49,846,848</u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Financial Analysis of the School District's Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$50.9 million, an increase of \$6.8 million in comparison with the prior fiscal year. The School District had an unassigned fund balance of \$28.7 million. The remaining fund balance is either not in a spendable form (\$65,044), restricted by external third parties for specific purposes (\$19.6 million) or assigned by the School District for specific purposes (\$2.5 million).

An analysis of fiscal year 2021 in comparison with fiscal year 2020 follows:

	Fund Balance June 30, 2021	Restated Fund Balance June 30, 2020	Variance
General Fund	\$ 29,957,699	\$ 20,341,192	\$ 9,616,507
Bond Retirement Fund	7,691,735	4,999,206	2,692,529
Building Fund	3,447,643	7,880,879	(4,433,236)
Classroom Facilities Fund	1,820,394	4,775,463	(2,955,069)
Other Governmental Funds	8,029,097	6,139,385	1,889,712
Total Governmental Funds	<u>\$ 50,946,568</u>	<u>\$ 44,136,125</u>	<u>\$ 6,810,443</u>

General Fund - The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, fund balance in the School District's General Fund totaled \$30.0 million, an increase of \$9.6 million in comparison with the prior fiscal year. This increase is primarily the result of a significant increase in property tax revenue available for advance from Franklin County.

Bond Retirement Fund - Fund balance in the Bond Retirement Fund increased by \$2.7 million during the fiscal year. This increase represents the amount in which current year property tax and related revenues exceeded debt service expenditures. Property taxes increased significantly in comparison with the prior fiscal year. This increase is primarily the result of a significant increase in property tax revenue available for advance from Franklin County.

Building Fund - Fund balance in the Building Fund decreased \$4.4 million during the fiscal year. This decrease represents the amount in which capital outlays exceeded investment earnings. Capital outlay expenditures decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of the School District completing its construction of the high school building during the fiscal year.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Classroom Facilities Fund - Fund balance in the Classroom Facilities Fund decreased \$3.0 million during the fiscal year. Investment earnings, intergovernmental revenue, and capital outlay expenditures all decreased significantly in comparison with the prior fiscal year. These decreases are primarily the result of the School District completing its construction of the high school building during the fiscal year.

General Fund Budget Information

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.

For the General Fund, original estimated resources and other financing sources were increased by \$6.1 million and original budgeted expenditures and other financing uses were decreased by \$1,182,447. Final budgeted expenditures and other financing uses exceeded actual expenditures and other financing uses by \$519,100, primarily due to conservative budgeting.

Capital Assets

At the end of the fiscal year, the School District had \$114.4 million (net of accumulated depreciation) invested in capital assets, an increase of \$4.9 million in comparison with the prior fiscal year. This increase represents the amount in which capital acquisitions (\$8.2 million) exceeded current year depreciation (\$3.3 million) and current year disposals (\$11,311). This investment in capital assets includes land, land improvements, buildings and improvements, furniture, fixtures and equipment, and vehicles. Detailed information regarding capital asset activity is included in the Note 8 to the basic financial statements.

Debt

At the end of the fiscal year, the School District had total bonded debt outstanding of \$89.7 million, a decrease of \$5.4 million in comparison with the prior fiscal year. This decrease represents the amount in which current year principal payments (\$5.0 million) and amortization (\$698,834) exceeded current year accretion \$3,165 and net refunding issuances of \$370,362.

Detailed information regarding long-term obligations is included in Note 13 to the basic financial statements.

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 questions about this report or need additional financial information, contact Todd Griffith, Treasurer, at Licking Heights Local School District, 6539 Summit Road SW, Pataskala, Ohio 43062.

BASIC FINANCIAL STATEMENTS

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

STATEMENT OF NET POSITION
AS OF JUNE 30, 2021

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$ 52,558,386
Cash in Segregated Accounts	60,598
Receivables:	
Property Taxes	32,438,403
Revenue in Lieu of Taxes	5,312,445
Intergovernmental	541,928
Accounts	6,457
Interest	20,818
Prepaid Items	65,044
Materials and Supplies Inventory	21,580
Nondepreciable Capital Assets	3,418,055
Depreciable Capital Assets, Net	110,983,873
Net OPEB Asset	2,713,348
Total Assets	<u>208,140,935</u>
Deferred Outflows of Resources	
Unamortized Amount on Refunding	1,388,120
Pension	10,093,685
OPEB	1,327,629
Total Deferred Outflows of Resources	<u>12,809,434</u>
Liabilities	
Accounts Payable	231,466
Accrued Wages and Benefits Payable	3,738,085
Intergovernmental Payable	604,841
Accrued Interest Payable	624,497
Retainage Payable	60,598
Claims Payable	725,600
Unearned Revenue	554,692
Long-Term Liabilities	
Due within One Year	6,403,029
Due in More Than One Year:	
Net Pension Liability	47,817,491
Net OPEB Liability	3,488,049
Other Amounts Due in More Than One Year	92,217,235
Total Liabilities	<u>156,465,583</u>
Deferred Inflows of Resources	
Property and Other Local Taxes	28,446,787
Pension	777,461
OPEB	5,331,133
Total Deferred Inflows of Resources	<u>34,555,381</u>
Net Position	
Net Investment in Capital Assets	19,034,042
Restricted for:	
Debt Service	7,173,543
Permanent Improvements	4,506,349
Capital Projects	5,605,963
Classroom Facilities Maintenance	1,308,475
Food Service	577,612
Special Trust	4,647
Extracurricular Activities	192,133
State and Federal Grants	12,180
Unrestricted	(8,485,539)
Total Net Position	<u>\$ 29,929,405</u>

See accompanying notes to the basic financial statements.

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Instruction				
Regular	\$ 27,917,307	\$ 455,886	\$ 358,394	\$ (27,103,027)
Special	7,890,119	144,581	2,022,434	(5,723,104)
Vocational	-	-	115,547	115,547
Other	100,858	1,866	-	(98,992)
Support Services				
Pupils	2,854,509	-	511,820	(2,342,689)
Instructional Staff	1,063,746	-	45,929	(1,017,817)
Board of Education	72,292	-	-	(72,292)
Administration	3,748,216	-	1,457	(3,746,759)
Fiscal	1,494,354	-	-	(1,494,354)
Operation and Maintenance of Plant	4,347,729	-	28,345	(4,319,384)
Pupil Transportation	2,816,975	-	45,859	(2,771,116)
Central	1,346,057	-	12,542	(1,333,515)
Non-Instructional Services	1,665,118	35,900	1,696,006	66,788
Extracurricular Activities	833,572	231,171	25,734	(576,667)
Interest and Fiscal Charges	2,789,859	-	-	(2,789,859)
Total Governmental Activities	<u>\$ 58,940,711</u>	<u>\$ 869,404</u>	<u>\$ 4,864,067</u>	<u>(53,207,240)</u>
General Revenues				
Property Taxes Levied for:				
General Purposes				29,242,349
Debt Service				10,490,392
Permanent Improvement				1,072,371
Classroom Facilities Maintenance				261,695
Revenue in Lieu of Taxes				7,512,168
Grants & Entitlements not Restricted to Specific Programs				16,953,928
Investment Earnings				53,106
Miscellaneous				1,137,995
Total General Revenues				<u>66,724,004</u>
Change in Net Position				<u>13,516,764</u>
Net Position Beginning of Year, Restated				<u>16,412,641</u>
Net Position End of Year				<u><u>\$ 29,929,405</u></u>

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021**

	General Fund	Bond Retirement Fund	Building Fund	Classroom Facilities Fund	Other Governmental Funds	Total Governmental Funds
Assets:						
Equity in Pooled Cash and Investments	\$ 27,688,909	\$ 5,491,132	\$ 3,492,395	\$ 1,863,257	\$ 8,524,881	\$ 47,060,574
Cash in Segregated Account	-	-	-	60,598	-	60,598
Receivables:						
Property Taxes	23,067,795	8,340,310	-	-	1,030,298	32,438,403
Revenue in Lieu of Taxes	5,312,445	-	-	-	-	5,312,445
Intergovernmental	8,045	-	-	250,311	283,572	541,928
Accounts	6,457	-	-	-	-	6,457
Interest	20,818	-	-	-	-	20,818
Interfund	129,315	-	-	-	-	129,315
Prepaid Items	63,844	-	-	-	1,200	65,044
Materials and Supplies Inventory	-	-	-	-	21,580	21,580
Total Assets	<u>\$ 56,297,628</u>	<u>\$ 13,831,442</u>	<u>\$ 3,492,395</u>	<u>\$ 2,174,166</u>	<u>\$ 9,861,531</u>	<u>\$ 85,657,162</u>
Liabilities:						
Accounts Payable	\$ 135,354	\$ -	\$ 44,752	\$ 42,863	\$ 8,497	\$ 231,466
Accrued Wages and Benefits Payable	3,432,459	-	-	-	305,626	3,738,085
Intergovernmental Payable	536,558	-	-	-	68,283	604,841
Interfund Payable	-	-	-	-	129,315	129,315
Matured Compensated Absences	250,266	-	-	-	7,587	257,853
Retainage Payable	-	-	-	60,598	-	60,598
Unearned Revenue	-	-	-	-	554,692	554,692
Total Liabilities	<u>4,354,637</u>	<u>-</u>	<u>44,752</u>	<u>103,461</u>	<u>1,074,000</u>	<u>5,576,850</u>
Deferred Inflows of Resources:						
Property and Other Local Taxes	21,668,014	6,033,402	-	-	745,371	28,446,787
Unavailable Revenue	317,278	106,305	-	250,311	13,063	686,957
Total Deferred Inflows of Resources	<u>21,985,292</u>	<u>6,139,707</u>	<u>-</u>	<u>250,311</u>	<u>758,434</u>	<u>29,133,744</u>
Fund Balances:						
Nonspendable:						
Prepaid Items	63,844	-	-	-	1,200	65,044
Restricted for:						
Debt Service	-	7,691,735	-	-	-	7,691,735
Permanent Improvements	-	-	-	-	4,493,286	4,493,286
Capital Projects	-	-	3,447,643	1,820,394	-	5,268,037
Classroom Facilities Maintenance	-	-	-	-	1,308,475	1,308,475
Food Service	-	-	-	-	576,412	576,412
Special Trust	-	-	-	-	4,647	4,647
Other Local Grants	-	-	-	-	69,119	69,119
Extracurricular Activities	-	-	-	-	200,469	200,469
State and Federal Grants	-	-	-	-	12,180	12,180
Assigned for:						
Public School Support	82,096	-	-	-	-	82,096
Future Appropriations	377,795	-	-	-	-	377,795
Instruction	8,744	-	-	-	-	8,744
Support Services	66,221	-	-	-	-	66,221
Capital Projects	-	-	-	-	2,003,777	2,003,777
Unassigned (Deficit):	29,358,999	-	-	-	(640,468)	28,718,531
Total Fund Balances	<u>29,957,699</u>	<u>7,691,735</u>	<u>3,447,643</u>	<u>1,820,394</u>	<u>8,029,097</u>	<u>50,946,568</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 56,297,628</u>	<u>\$ 13,831,442</u>	<u>\$ 3,492,395</u>	<u>\$ 2,174,166</u>	<u>\$ 9,861,531</u>	<u>\$ 85,657,162</u>

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Total Governmental Fund Balances	\$	50,946,568
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		114,401,928
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Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

	Delinquent Property Tax Receivables	415,828
	Intergovernmental Receivables	250,311
	Accounts Receivables	20,818

An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		4,772,212
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The net OPEB asset and net pension and net OPEB liabilities are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds.

	Deferred Outflows - Pension	10,093,685
	Deferred Inflows - Pension	(777,461)
	Net Pension Liability	(47,817,491)
	Deferred Outflows - OPEB	1,327,629
	Deferred Inflows - OPEB	(5,331,133)
	Net OPEB Asset	2,713,348
	Net OPEB Liability	(3,488,049)

Long-Term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

	Bonds Payable	(85,948,165)
	Unamortized Issuance Premiums	(3,976,142)
	Unamortized Issuance Discounts	32,751
	Unamortized Losses on Refundings	1,609,062
	Unamortized Gain on Refunding	(220,942)
	Accrued Interest Payable	(624,497)
	Certificates of Participation	(6,780,000)
	Compensated Absence Payable	(1,690,855)
	Total	(97,598,788)

Net Position of Governmental Activities	\$	29,929,405
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See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	General Fund	Bond Retirement Fund	Building Fund	Classroom Facilities Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property Taxes	\$ 29,132,609	\$ 10,452,981	\$ -	\$ -	\$ 1,329,893	\$ 40,915,483
Revenue in Lieu of Taxes	7,917,595	-	-	-	-	7,917,595
Intergovernmental	16,444,421	661,606	-	-	4,770,677	21,876,704
Investment Earnings	42,373	-	41,900	8,444	2,267	94,984
Tuition and Fees	602,498	-	-	-	-	602,498
Rent	105,445	-	-	-	-	105,445
Extracurricular Activities	107,428	-	-	-	118,901	226,329
Contributions and Donations	18,832	-	-	-	7,432	26,264
Customer Sales and Services	-	-	-	-	23,595	23,595
Miscellaneous	1,028,933	-	5,000	-	15,252	1,049,185
Total Revenues	55,400,134	11,114,587	46,900	8,444	6,268,017	72,838,082
Expenditures:						
Instruction:						
Regular	21,410,033	-	104,212	-	1,745,149	23,259,394
Special	5,544,672	-	-	-	1,831,865	7,376,537
Other	95,188	-	-	-	-	95,188
Support services:						
Pupils	2,167,952	-	-	-	537,563	2,705,515
Instructional Staff	781,347	-	-	-	230,187	1,011,534
Board of Education	72,292	-	-	-	-	72,292
Administration	3,386,160	-	-	-	2,000	3,388,160
Fiscal	1,300,997	132,710	-	-	17,317	1,451,024
Operation and Maintenance of Plant	3,951,014	-	56,714	-	60,477	4,068,205
Pupil Transportation	2,259,637	-	47,754	-	49,739	2,357,130
Central	1,147,364	-	112,802	-	34,519	1,294,685
Non-Instructional Services	-	-	-	-	1,550,170	1,550,170
Extracurricular Activities	606,971	-	-	-	168,480	775,451
Capital Outlay	-	-	4,158,654	2,963,513	628,634	7,750,801
Debt service:						
Principal Retirement	-	5,027,619	-	-	410,000	5,437,619
Interest and Fiscal Charges	-	3,068,264	-	-	172,205	3,240,469
Bond Issuance Costs	187,651	-	-	-	-	187,651
Total Expenditures	42,911,278	8,228,593	4,480,136	2,963,513	7,438,305	66,021,825
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	12,488,856	2,885,994	(4,433,236)	(2,955,069)	(1,170,288)	6,816,257
Other Financing Sources (Uses):						
Bond Issuance	-	12,335,000	-	-	-	12,335,000
Premium on Bond Issuance	187,651	182,711	-	-	-	370,362
Payment to Refunding Bond Escrow Agent	-	(12,711,176)	-	-	-	(12,711,176)
Transfers In	-	-	-	-	3,060,000	3,060,000
Transfers Out	(3,060,000)	-	-	-	-	(3,060,000)
Total Other Financing Sources (Uses)	(2,872,349)	(193,465)	-	-	3,060,000	(5,814)
Net Change in Fund Balances	9,616,507	2,692,529	(4,433,236)	(2,955,069)	1,889,712	6,810,443
Fund Balances - Beginning of Year, Restated	20,341,192	4,999,206	7,880,879	4,775,463	6,139,385	44,136,125
Fund Balances - End of Year	\$ 29,957,699	\$ 7,691,735	\$ 3,447,643	\$ 1,820,394	\$ 8,029,097	\$ 50,946,568

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Net Change in Fund Balances - Total Governmental Funds **\$ 6,810,443**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation Expense	(3,301,126)
Capital Outlay	8,191,838

The net effect of various transactions involving capital assets (i.e. sales, disposals, etc.) (11,311)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (380,607)

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

Pension	3,516,854
OPEB	89,877

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

Pension	(7,104,783)
OPEB	105,441

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

Issuance of Bonds	(12,335,000)
Premium on Bonds	(370,362)
Bond Principal Repayments	4,530,053
Capital Appreciation Bond Accretion Payments	907,566
Payment to Refunding Bond Escrow Agent	12,711,176
Amortization of Bond Issuance Premiums	708,986
Amortization of Bond Issuance Discounts	(1,985)
Amortization of Losses on Refundings	(192,376)
Amortization of Gain on Refunding	34,258

Some expenses reported in the statement of activities, such as compensated absences payable and other accounts payable, do not require the use of current financial resources and therefore are not reported as expenditures in the funds.

Compensated Absences	(421,011)
Accrued Interest	92,543
Accretion of Capital Appreciation Bonds	(3,165)

The internal service fund used by management to charge the cost of insurance to individual funds is not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

(60,545)

Change in Net Position of Governmental Activities **\$ 13,516,764**

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Original Budget	Final Budget	Actual	Variance Over/(Under)
Revenues:				
Property Taxes	\$ 21,634,333	\$ 24,564,825	\$ 24,564,592	\$ (233)
Revenue in Lieu of Taxes	6,652,614	7,553,747	7,660,683	106,936
Intergovernmental	14,488,589	16,451,150	16,448,855	(2,295)
Investment Earnings	178,899	203,132	165,649	(37,483)
Tuition and Fees	624,344	708,915	707,222	(1,693)
Rent	88,070	100,000	99,338	(662)
Extracurricular Activities	70,104	79,600	81,245	1,645
Contributions and Donations	-	-	30	30
Miscellaneous	907,268	1,030,163	1,018,708	(11,455)
Total Revenues	44,644,221	50,691,532	50,746,322	54,790
Expenditures:				
Instruction:				
Regular	21,991,581	21,498,568	21,234,581	263,987
Special	5,580,955	5,455,810	5,439,417	16,393
Other	96,917	94,739	93,996	743
Support services:				
Pupils	2,188,240	2,139,484	2,117,308	22,176
Instructional Staff	802,437	784,729	768,619	16,110
Board of Education	74,824	73,143	72,788	355
Administration	3,421,735	3,344,889	3,338,461	6,428
Fiscal	1,360,221	1,330,115	1,308,174	21,941
Operation and Maintenance of Plant	4,166,319	4,075,723	3,936,986	138,737
Pupil Transportation	2,371,951	2,318,732	2,312,511	6,221
Central	1,219,555	1,192,524	1,172,277	20,247
Extracurricular Activities	527,551	515,697	509,936	5,761
Debt service:				
Bond Issuance Costs	191,966	187,652	187,651	1
Total Expenditures	43,994,252	43,011,805	42,492,705	519,100
Excess (Deficiency) of Revenues Over (under) Expenditures	649,969	7,679,727	8,253,617	573,890
Other Financing Sources (Uses):				
Premium on Bond Issuance	165,265	187,651	187,651	-
Transfers Out	(3,060,000)	(3,060,000)	(3,060,000)	-
Advances In	210,968	210,968	366,938	155,970
Advances Out	(222,800)	(222,800)	(222,800)	-
Total Other Financing Sources (Uses)	(2,906,567)	(2,884,181)	(2,728,211)	155,970
Net Change in Fund Balance	(2,256,598)	4,795,546	5,525,406	729,860
Fund Balances at Beginning of Year	21,664,360	21,664,360	21,664,360	-
Prior Year Encumbrances Appropriated	273,090	273,090	273,090	-
Fund Balances at End of Year	\$ 19,680,852	\$ 26,732,996	\$ 27,462,856	\$ 729,860

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**STATEMENT OF NET POSITION
PROPRIETARY FUND
AS OF JUNE 30, 2021**

	Governmental Activities - Internal Service Fund
Assets:	
Equity in Pooled Cash and Investments	\$ 5,497,812
Total Assets	<u>5,497,812</u>
Liabilities:	
Claims Payable	725,600
Unearned Revenue	245,871
Total Liabilities	<u>971,471</u>
Net Position:	
Unrestricted	4,526,341
Total Net Position	<u><u>\$ 4,526,341</u></u>

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Fund
Operating Revenues:	
Charges for Services	\$ 5,695,833
Total Operating Revenues	<u>5,695,833</u>
Operating Expenses:	
Purchased Services	957,049
Claims	4,817,455
Total Operating Expenses	<u>5,774,504</u>
Operating Loss and Change in Net Position	(78,671)
Net Position Beginning of Year	<u>4,605,012</u>
Net Position End of Year	<u>\$ 4,526,341</u>

See accompanying notes to the basic financial statements.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Governmental Activities - Internal Service Fund
Cash flows from operating activities:	
Cash received from charges for services	\$ 5,713,959
Cash payments for purchased services	(957,049)
Cash payments for claims	(4,524,755)
Net cash provided by operating activities	<u>232,155</u>
Net increase in cash and investments	232,155
Cash and investments at beginning of year	5,265,657
Cash and investments at end of year	<u><u>\$ 5,497,812</u></u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (78,671)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Changes in assets and liabilities:	
Claims payable	292,700
Unearned revenue	18,126
Net cash provided by operating activities	<u><u>\$ 232,155</u></u>

See accompanying notes to the basic financial statements.

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Licking Heights Local School District (the “School District”) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The School District was established in 1956 and is located just east of the City of Columbus about one-half mile from the Franklin County border. The School District serves an area of approximately 36 square miles. It is located in Licking and Franklin Counties and covers parts of the City of Pataskala, Jersey Township, St. Albans Township and Etna Township in Licking County and parts of Jefferson Township, the City of Reynoldsburg, City of New Albany and the City of Columbus in Franklin County. It is staffed by 146 classified employees and 262 certificated teaching personnel who provide services to 4,722 students and other community members. The School District currently operates six instructional buildings, one administrative building, and a bus garage.

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 are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or 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. The School District has no component units.

The School District participates in the Licking Area Computer Association which is defined as a jointly governed organization. This organization is presented in Note 15 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 accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District’s accounting policies are described below.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

A. Basis of Presentation

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

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements normally distinguish between those activities that are governmental and those that are considered business-type activities. The internal service fund operating activities are eliminated to avoid overstatement of revenues and expenditures.

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 are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, 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 function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities into 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 rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. All funds of the School District fall within three categories: governmental, proprietary and fiduciary.

Governmental Funds

The School District classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The following are the School District's major governmental funds:

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

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

Bond Retirement Fund – The Bond Retirement Fund accounts for the accumulation of property tax revenues for, and payment of, general obligation bonds used for the construction and renovation of buildings within the School District.

Building Fund – The Building Fund accounts for the receipts and expenditures related to all special bond funds in the School District. Proceeds from the sale of bonds, notes, or certificates of indebtedness are paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

Classroom Facilities Fund – The Classroom Facilities Fund accounts for monies received and expended in connection with contracts entered into by the School District and the Ohio Facilities Construction Commission for the building and equipping of classroom facilities.

Other Governmental Funds of the School District account for specific revenue sources that are restricted or assigned for specified purposes other than debt service.

Proprietary Funds

Internal Service Fund – The Internal Service Fund accounts for money received from other funds as payment for providing medical insurance. Payments are made to a third-party administrator for claims payments, claims administration and stop-loss coverage.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the School District's internal service fund are charges for services. Operating expenses for the internal service fund includes the claims and purchased services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

C. 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.

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 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 and governmental fund statements.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of unavailable revenue and in the presentation of expenses versus expenditures. Proprietary Funds use the accrual basis of accounting.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or 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, revenue in lieu of taxes, grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, revenue in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, interest, and intergovernmental revenues. 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 fund on page 19. 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)

Expenditures/Expenses

On the accrual basis of accounting, expenses are recognized at the time they are incurred. 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 except for (1) principal and interest on general long-term debt, which is recorded when due, and (2) the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

E. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget is waived by the Licking County Budget Commission (Budget Commission) under the authority of Section 5705.281 of the Revised Code. The Budget Commission accepts the School District's five year forecast in place of the tax budget. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Although the legal level of budgetary control was established at the fund level for expenditures, the Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

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

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

F. Cash and Investments

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

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

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund, Building Fund, Classroom Facilities Fund and Other Governmental Funds during fiscal year 2021 amounted to \$42,373, \$41,900, \$8,444, and \$2,267, respectively. The portion of interest revenue credited to the General Fund that was earned on cash balances within other funds was insignificant.

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 presented on the financial statements as Equity in Pooled Cash and Investments. Investments with an original maturity greater than three months at the time they are purchased are presented on the financial statements as Investments.

G. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of purchased food held for resale and expendable supplies held for consumption. Donated commodities are presented at their entitlement value.

H. Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. General capital assets usually result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements.

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

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

Description	Estimated Lives
Land Improvements	10 – 30
Buildings and Improvements	15 – 45
Furniture, Fixtures and Equipment	5 – 20
Vehicles	5 – 20

I. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivable" and "Interfund Payables". These amounts are eliminated in the governmental activities column of the Statement of Net Position.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

J. Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The School District records a liability for all employees meeting the retirement criteria outlined by the pension systems as well as all employees with 10 or more years of service with the School District.

The entire sick leave benefit liability is reported on the government-wide financial statements. On the governmental fund financial statements, sick leave benefits are recognized as liabilities and expenditures 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" in the funds from which these payments will be made.

The amount is based on accumulated sick leave and employees' wage rates at fiscal year-end, taking into consideration any limits specified in the School District's termination policy.

K. Bond Premiums/Issuance Costs/Accretion/Deferred Loss or Gain on Debt Refunding

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond issuance costs are expensed as incurred. Capital appreciation bonds are accreted each fiscal year for the interest accrued during the fiscal year. Bond premiums and the interest on capital appreciation bonds are presented as an addition to the face amount of the bonds payable.

For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter and is presented as a deferred outflow of resources (loss) or deferred inflow of resources (gain) on the statement of net position.

On the governmental fund financial statements, issuance costs are recognized in the period in which the bonds are issued. Accretion on the capital appreciation bonds is not reported.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

L. 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. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Pensions/Other Postemployment Benefits (OPEB)

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

N. Fund Balance

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

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) 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 are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – Fund balance is reported as committed when there are resources constrained for specific purposes that are internally imposed by formal action (resolution) of the government at the highest level of decision making authority, Board of Education.

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 as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

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

O. Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated of the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures 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 to the funds that initially paid for them are not presented on the financial statements.

P. Net Position

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

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

Q. Estimates

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

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R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of District management and that are either unusual in nature or infrequent in occurrence. During the fiscal year, the School District did not incur any transactions that would be classified as an extraordinary item or special item.

S. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase, and the expenditure/expense is reported in the year in which services are consumed.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as an assignment of fund balance (GAAP basis).
4. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. With the implementation of GASB Statement No. 54, *Fund Balance Reporting*, the School District's Public School Support Fund, no longer meets the special revenue fund type criteria for reporting in the fiscal year-end external financial statements. As such, this fund is presented as part of the School District's General Fund in the year-end financial statements. The budgetary comparison information in the fiscal year-end financial statements is the legally adopted budget for the general fund, without modification for the funds no longer meeting the special revenue criteria.

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

Net Change in Fund Balance

GAAP Basis	\$ 9,616,507
Adjustments:	
Funds Budgeted as Other Funds	75,626
Revenue Accruals	(4,606,932)
Expenditure Accruals	398,768
Other Financing Sources/Uses, Net	139,770
Encumbrances	(98,333)
Budget Basis	<u><u>\$ 5,525,406</u></u>

NOTE 4 – DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

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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 above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from 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 items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
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.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the 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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits with Financial Institutions

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 fiscal year-end, the carrying amount of the School District deposits was \$25,715,416, and the bank balance was \$25,878,591. Of the School District's bank balance, \$20,473,857 was covered by the Federal Depository Insurance Company (FDIC) and the remaining balance was uninsured and collateralized. The School District's financial institution was approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System. The School District's deposits of \$60,598, included as "cash in segregated accounts" are for deposits held in escrow for retainage relating to the School District's building project.

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

1. 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
2. Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

B. Investments

At fiscal year-end, the School District had the following investments:

Investment Type	Standard and Poor's Rating	Fair Value*	Percent of Total	Investment Maturities		
				Within 1 Year	1 to 3 Years	More Than 3 Years
STAR Ohio	AAAm	\$ 17,127	0.06%	\$ 17,127	\$ -	\$ -
Money Market Funds	AAA	15,067	0.06%	15,067	-	-
Federal Home Loan Mortgage	AA+	1,020,047	3.79%	-	499,346	520,701
Federal Farm Credit Banks	AA+	996,316	3.70%	-	996,316	-
Federal Home Loan Bank	AA+	794,614	2.95%	-	-	794,614
Federal Home Loan Bank	AAA	1,764,246	6.56%	-	398,952	1,365,294
Federal National Mortgage Association	AA+	1,044,145	3.88%	-	475,043	569,102
Negotiable Certificates of Deposit	N/A	6,612,237	24.58%	2,000,783	4,093,877	517,577
Commercial Paper	A-1	14,639,769	54.42%	14,639,769	-	-
Total		<u>\$ 26,903,568</u>	<u>100.00%</u>	<u>\$ 16,672,746</u>	<u>\$ 6,463,534</u>	<u>\$ 3,767,288</u>

* The School District's money market funds and STAR Ohio are valued at net asset value (NAV).

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2021. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs). All of the School District's investments reported at fair value are valued using quoted market prices (Level 2 inputs), except money market funds, which are Level 1 inputs.

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In addition, at fiscal year-end, the School District reported an investment in STAR Ohio totaling \$17,127. In accordance with GASB Statement No. 79, the School District's investment in STAR Ohio is reported at amortized cost. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2021, is 54 days and carries a rating of AAAM by S&P Global Ratings.

Interest Rate Risk - The School District's investment policy addresses interest rate risk to the extent that it allows the Treasurer to invest funds to a maximum maturity of five years, unless matched to a specific obligation or debt of the School District. The Treasurer cannot make investments which he does not reasonably believe can be held until the maturity date.

Credit Risk - The School District's investment policy limits investments to those authorized by State statute. The School District has no investment policy that addresses credit risk.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The School District places no limit on the amount it may invest in any one issuer except for commercial paper and bankers' acceptances.

NOTE 5 – PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed value listed as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are 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.

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Public utility property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Public utility real and tangible personal property taxes received in calendar year 2021 became a lien December 31, 2019, were levied after April 1, 2020 and are collected in calendar year 2021 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.

Tangible personal property tax revenue received during calendar year 2021 (other than public utility property tax) represents the collection of calendar year 2021 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected.

Tangible personal property taxes received from telephone companies in calendar year 2021 were levied after October 1, 2020, on the value as of December 31, 2020. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Licking and Franklin Counties. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2021, are available to finance fiscal year 2021 operations. The amounts available to be advanced can vary based on the date the tax bills are sent.

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

	<u>2020 Second Half Collections</u>		<u>2021 First Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Real Estate	\$ 630,600,249	91.29%	\$ 746,068,120	91.18%
Public Utility Personal	60,174,580	8.71%	72,200,800	8.82%
Total	<u>\$ 690,774,829</u>	<u>100.00%</u>	<u>\$ 818,268,920</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$ 59.59		\$ 56.94	

NOTE 6 – TAX ABATEMENTS

Under Community Reinvestment Area (CRA) and other property tax abatements entered into by the City of Reynoldsburg, City of New Albany, City of Pataskala and Jefferson Township, the School District's property tax revenues were reduced by \$378,214, \$6,935,987, \$233 and \$43,157, respectively, during the fiscal year. Compensation payments received from the cities and township during the fiscal year totaled \$2,938,459.

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NOTE 7 – RECEIVABLES

At fiscal year-end, receivables consisted of property taxes, revenue in lieu of taxes, intergovernmental grants, interest, accounts, and interfund. All receivables are considered collectible in full and will be received within one year with the exception of property taxes and revenue in lieu of taxes. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Revenue in lieu of taxes will be received over the designated period established by the agreements.

A summary of the principal items of intergovernmental receivables follows:

Medicaid Reimbursement	\$ 8,045
OFCC	250,311
School Psychologist Intern	3,790
ESSER Grants	49
Title VI-B IDEA	220,298
Title III Limited English Proficiency	28,223
Title I Disadvantaged Children	16,467
IDEA Preschool	5,539
Title II-A	9,206
Total Intergovernmental Receivables	<u>\$ 541,928</u>

Revenue in Lieu of Taxes

The School District receives revenue in lieu of taxes from a Tax Increment Financing Agreement entered into with the City of Columbus for the purpose of constructing single, multifamily and senior housing facilities. The School District is to receive payments equal to the amount that the School District could otherwise receive as real property tax payments derived from the improvements, absent the passage of the agreement. The agreement will expire no later than fiscal year 2033.

The School District also receives revenue in lieu of taxes from a revenue sharing agreement with the City of Reynoldsburg. Licking County and the City of Columbus entered into an enterprise zone agreement to allow several businesses a tax exemption on tangible personal property taxes. The School District is to receive 50 percent of income tax revenue collected by the City of Reynoldsburg on new jobs created by the enterprise zone.

The School District also receives revenue in lieu of taxes from a revenue sharing agreement with the City of New Albany whereas the City of New Albany has declared improvements to certain parcels of real property within the City, 100 percent exempt from property taxes. The School District is to receive 50 percent of income tax revenue collected by the City of New Albany on new jobs created by the exempt parcels, not to exceed the amount the School District could have received as real property tax payments derived from the improvements had the exemption not been declared.

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NOTE 8 – CAPITAL ASSETS

Capital assets activity for the fiscal year was as follows:

	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
Nondepreciable Capital Assets					
Land	\$ 3,418,055	\$ -	\$ -	\$ -	\$ 3,418,055
Construction in Progress	57,099,348	7,719,126	-	(64,818,474)	-
Total Nondepreciable Assets	60,517,403	7,719,126	-	(64,818,474)	3,418,055
Depreciable Capital Assets					
Land Improvements	1,169,980	-	(159,215)	-	1,010,765
Buildings and Improvements	72,964,301	87,615	(30,708)	64,818,474	137,839,682
Furniture, Fixtures and Equipment	2,319,317	288,818	(122,342)	-	2,485,793
Vehicles	6,255,842	96,279	(8,300)	-	6,343,821
Total Depreciable Assets	82,709,440	472,712	(320,565)	64,818,474	147,680,061
Less accumulated depreciation					
Land Improvements	(740,853)	(49,775)	147,904	-	(642,724)
Buildings and Improvements	(27,242,914)	(2,756,625)	30,708	-	(29,968,831)
Furniture, Fixtures and Equipment	(1,392,977)	(185,613)	122,342	-	(1,456,248)
Vehicles	(4,327,572)	(309,113)	8,300	-	(4,628,385)
Total accumulated depreciation	(33,704,316)	(3,301,126)	309,254	-	(36,696,188)
Depreciable Capital Assets, Net of accumulated depreciation	49,005,124	(2,828,414)	(11,311)	64,818,474	110,983,873
Total Capital Assets, Net	109,522,527	4,890,712	(11,311)	-	114,401,928

Depreciation expense charged to governmental functions as follows:

Regular Instruction	\$ 2,330,193
Special Instruction	36,479
Instructional Staff	2,129
Administration	9,236
Operation & Maintenance of Plant	449,971
Transportation	386,772
Central	32,390
Food Services	41,307
Extracurricular Activities	12,649
Total Depreciation Expense	<u>\$ 3,301,126</u>

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NOTE 9 – RISK MANAGEMENT

A. Property and Liability - The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year, the School District contracted with Munich Re Insurance Company for building and contents and fleet insurance. Insurance coverage provided includes the following:

Building and Contents replacement cost (\$2,500 deductible)	\$130,586,448
General Liability (per Occurrence)	\$1,000,000
Annual Aggregate	\$3,000,000
Personal and Advertising Injury Aggregate	\$1,000,000
Automobile Liability	\$1,000,000
Umbrella Liability	\$5,000,000
Annual Aggregate	\$5,000,000
Employers' Liability	\$1,000,000
Annual Aggregate	\$1,000,000
Crime – Employee Theft (\$500 deductible)	\$250,000

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

B. Employee Medical, Prescription Drug and Dental Self-Insurance - The School District maintains an internal service “self-insurance” medical, prescription drug and dental insurance fund in connection with formalized risk management programs in an effort to minimize risk exposure and control claims and premium costs. The School District, effective January 1, 2021, contracted with Sun Life to be the insurance carrier voluntary insurance programs. The School District, effective January 1, 2015, contracted with Medical Mutual to be the third party administrator for the medical and prescription drug insurance programs. Effective January 1, 2016, the School District contracted with Delta Dental to be the third party administrator for the dental insurance program.

A claims liability of \$725,600 at fiscal year-end in the self-insurance internal service fund reflects an estimate of incurred but unpaid claims liability. This liability was estimated by a third party based on claims experience. The School District has purchased stop loss coverage for individual employee claim amounts exceeding \$125,000. Unpaid claims at year-end are recorded as current claims payable because they would be due within 60 days from the end of the fiscal year.

A summary of the changes in the self-insurance claims liability for fiscal years 2021 and 2020 are as follows:

	Fiscal Year 2021	Fiscal Year 2020
Claims Liability at July 1	\$ 432,900	\$ 571,941
Incurred Claims	4,817,455	4,129,978
Claims Paid	(4,524,755)	(4,269,019)
Claims Liability at June 30	<u>\$ 725,600</u>	<u>\$ 432,900</u>

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C. Workers' Compensation - The School District pays its workers' compensation premium to the State based on its individual rate provided by Bureau of Workers Compensation. The School District has contracted with Comp Management to provide third party administration services and managed care services.

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)

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

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

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

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

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

The remainder of this note includes the required pension disclosures. See Note 11 for the required OPEB disclosures.

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Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Age 65 with 5 years of service credit; or Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit 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 year of service; 2.2 percent for the first 30 years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2019, 2020, and 2021. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was 14.0 percent. SERS did not allocate employer contributions to the Health Care Fund for fiscal year 2021.

The School District’s contractually required contribution to SERS was \$765,445 for fiscal year 2021. Of this amount, \$50,800 is reported as an intergovernmental payable.

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Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent 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 August 1, 2017 – July 1, 2019, any member could retire with reduced benefits who had (1) five years of service credit and age 60; (2) 27 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Effective August 1, 2019 – July 1, 2021, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 25 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Eligibility changes will continue to be phased in through August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Retirement eligibility for reduced benefits will be five years of 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. Investment allocation decisions are determined by the member. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2021, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$2,751,409 for fiscal year 2021. Of this amount, \$425,695 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.15816350%	0.15438726%	
Prior Measurement Date	0.16282900%	0.15077515%	
Change in Proportionate Share	<u>-0.00466550%</u>	<u>0.00361211%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 10,461,267	\$ 37,356,224	\$ 47,817,491
Pension Expense	\$ 1,189,533	\$ 5,915,250	\$ 7,104,783

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Deferred outflows/inflows of resources represent the effect of changes in the net pension liability due to the difference between projected and actual investment earnings, differences between expected and actual actuarial experience, changes in assumptions and changes in the School District's proportion of the collective net pension liability. The deferred outflows and deferred inflows are to be included in pension expense over current and future periods. The difference between projected and actual investment earnings is recognized in pension expense using a straight line method over a five year period beginning in the current year. Deferred outflows and deferred inflows resulting from changes in sources other than differences between projected and actual investment earnings are amortized over the average expected remaining service lives of all members (both active and inactive) using the straight line method. Employer contributions to the pension plan subsequent to the measurement date are also required to be reported as a deferred outflow of resources.

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 20,321	\$ 83,819	\$ 104,140
Net Difference between Projected and Actual Earnings on Pension Plan Investments	664,077	1,816,635	2,480,712
Changes of Assumptions	-	2,005,307	2,005,307
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	-	1,986,672	1,986,672
School District Contributions Subsequent to the Measurement Date	765,445	2,751,409	3,516,854
Total Deferred Outflows of Resources	<u>\$ 1,449,843</u>	<u>\$ 8,643,842</u>	<u>\$ 10,093,685</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ -	\$ 238,866	\$ 238,866
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	177,264	361,331	538,595
Total Deferred Inflows of Resources	<u>\$ 177,264</u>	<u>\$ 600,197</u>	<u>\$ 777,461</u>

\$3,516,854 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ (113,495)	\$ 1,994,132	\$ 1,880,637
2023	135,912	853,756	989,668
2024	276,803	1,474,810	1,751,613
2025	207,914	969,538	1,177,452
	<u>\$ 507,134</u>	<u>\$ 5,292,236</u>	<u>\$ 5,799,370</u>

Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2035.

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

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

Actuarial Cost Method	Entry Age Normal (Level Percentage of Payroll, Closed)
Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent, net of investment expense, including inflation
COLA or Ad Hoc COLA	2.50 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement

For post-retirement mortality, the table used in evaluating allowances to be paid is the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120 percent of male rates and 110 percent of female rates used. The RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years is used for the period after disability retirement.

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

The long-term return expectation for the investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The asset allocation, as used in the June 30, 2015 five-year experience study, is summarized as follows:

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

Discount Rate Total pension liability was calculated using the discount rate of 7.50 percent. The discount rate determination does not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 25-year amortization period of the unfunded actuarial accrued liability. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on 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 School District's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the School District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net Pension Liability	\$ 14,330,659	\$ 10,461,267	\$ 7,214,774

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation, are presented below:

Inflation	2.50 percent
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Discount Rate of Return	7.45 percent
Projected Payroll Growth	3.00 percent
Cost-of-Living Adjustments	0.00 percent

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

The actuarial assumptions used in the June 30, 2020 valuation, were based on the results of an actuarial experience study for July 1, 2012, through June 30, 2016.

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

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

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

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Discount Rate. The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes that employer and member contributions will be made at statutory contribution rates of 14 percent each. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table represents the School District's proportionate share of the net pension liability as of June 30, 2020, calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net Pension Liability	\$ 53,188,759	\$ 37,356,224	\$ 23,939,469

Social Security System

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 – DEFINED BENEFIT OPEB PLANS

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

Plan Description - School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2021, SERS did not allocate any employer contributions to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the School District's surcharge obligation was \$89,877, which is reported as an intergovernmental payable.

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Plan Description - State Teachers Retirement System (STRS)

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

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

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

The net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The 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	0.16049400%	0.15438700%	
Prior Measurement Date	<u>0.16624300%</u>	<u>0.15077500%</u>	
Change in Proportionate Share	<u>-0.00574900%</u>	<u>0.00361200%</u>	
Proportionate Share of the Net			
OPEB Liability (Asset)	\$ 3,488,049	\$ (2,713,348)	
OPEB Expense	\$ 29,405	\$ (134,846)	\$ (105,441)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 45,811	\$ 173,861	\$ 219,672
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	39,302	95,093	134,395
Changes of Assumptions	594,593	44,790	639,383
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	44,093	200,209	244,302
School District Contributions Subsequent to the Measurement Date	89,877	-	89,877
Total Deferred Outflows of Resources	<u>\$ 813,676</u>	<u>\$ 513,953</u>	<u>\$ 1,327,629</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 1,773,922	\$ 540,461	\$ 2,314,383
Changes of Assumptions	87,857	2,577,230	2,665,087
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	181,704	169,959	351,663
Total Deferred Inflows of Resources	<u>\$ 2,043,483</u>	<u>\$ 3,287,650</u>	<u>\$ 5,331,133</u>

\$89,877 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ (259,712)	\$ (674,177)	\$ (933,889)
2023	(256,872)	(609,814)	(866,686)
2024	(257,334)	(587,235)	(844,569)
2025	(257,186)	(638,339)	(895,525)
2026	(208,839)	(133,858)	(342,697)
Thereafter	(79,741)	(130,274)	(210,015)
	<u>\$ (1,319,684)</u>	<u>\$ (2,773,697)</u>	<u>\$ (4,093,381)</u>

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Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

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

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

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

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

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

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

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2019 was 3.22 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the plan at the contribution rate of 2.00 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. However, since SERS' actuaries indicate the fiduciary net position is projected to be depleted at a future measurement date, the single equivalent interest rate is determined as 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 by the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45 percent, as of June 30, 2020 (i.e., municipal bond rate).

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability	\$ 4,269,299	\$ 3,488,049	\$ 2,866,976

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability	\$ 2,746,582	\$ 3,488,049	\$ 4,479,606

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation are presented below:

Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65	
Payroll Increases	3.00 percent	
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	
Discount Rate of Return	7.45 percent	
Health Care Cost Trend Rates		
Medical	<u>Initial</u>	<u>Ultimate</u>
Pre-Medicare	5.00 percent	4.00 percent
Medicare	-6.69 percent	4.00 percent
Prescription Drug		
Pre-Medicare	6.50 percent	4.00 percent
Medicare	11.87 percent	4.00 percent

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

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

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The actuarial assumptions used in the June 30, 2020 valuation, were adopted by the board from the results of an actuarial experience study for July 1, 2011, through June 30, 2016.

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

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

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

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

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (2,360,790)	\$ (2,713,348)	\$ (3,012,483)
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's Proportionate Share of the Net OPEB Liability (Asset)	\$ (2,993,914)	\$ (2,713,348)	\$ (2,371,579)

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Benefit Term Changes Since the Prior Measurement Date There were no changes to the claims costs process. Claim curves were updated to reflect the projected fiscal year 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 0.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

NOTE 12 – EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation, sick leave and personal leave benefits are derived from negotiated agreements and State laws. Eligible classified employees and administrators earn 10 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 do not earn vacation time.

All employees earn sick leave at the rate of one and one-fourth days per month. For part-time employees, each day of accumulation is a pro-rated day equal to the number of hours employed. Sick leave may be accumulated up to 320 days for all personnel. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum payment of 80 days for all certificated and classified employees. All employees earn additional bonus severance days based upon years of service. Certified employees earn one to five days and classified employees earn one to six days.

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Sun Life. Vision insurance is offered by the School District, but the employees pay the total premium.

C. Deferred Compensation

School District employees may participate in a deferred compensation plan. The School District maintains a list of the various companies that have been approved by the Board. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

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NOTE 13 – LONG-TERM OBLIGATIONS

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

	Amounts Outstanding 6/30/2020	Additions	Deductions	Amounts Outstanding 6/30/2021	Amounts Due Within One Year
General Obligation Bonds:					
2000 School Improvement Bonds- 6.4%	\$ 855,000	\$ -	\$ (5,000)	\$ 850,000	\$ 5,000
2011 Advance Refunding Bonds					
Serial Bonds - 2.0% to 2.5%	5,205,000	-	(2,365,000)	2,840,000	2,840,000
Unamortized Premium - Serial Bonds	23,413	-	(15,609)	7,804	-
2012 Advance Refunding Bonds					
Serial Bonds - 2.0% to 3.1%	7,665,000	-	(510,000)	7,155,000	520,000
Unamortized Premium - Serial Bonds	27,673	-	(2,214)	25,459	-
2013 Advance Refunding Bonds					
Serial Bonds - 0.4% to 3.6%	13,820,000	-	(12,335,000)	1,485,000	1,485,000
Capital Appreciation Bonds (CABS)	240,053	-	(240,053)	-	-
Accretion on CABS	907,566	-	(907,566)	-	-
Unamortized Premium - CABS	223,852	-	(223,852)	-	-
2016 Refunding Bonds					
Term Bonds - 1.73%	8,235,000	-	(90,000)	8,145,000	90,000
2017A School Facilities Improvement Bonds					
Serial Bonds - 3.0% to 5.0%	11,045,000	-	(780,000)	10,265,000	440,000
Term Bonds - 3.375% to 5.0%	30,450,000	-	-	30,450,000	-
Unamortized Premium - Serial Bonds	1,310,411	-	(74,881)	1,235,530	-
Unamortized Premium - Term Bonds	783,629	-	(22,714)	760,915	-
2017B School Facilities Improvement Bonds					
Serial Bonds - 3.0% to 5.0%	5,635,000	-	(130,000)	5,505,000	135,000
Term Bonds - 3.125% to 3.250%	2,165,000	-	-	2,165,000	-
Unamortized Premium - Serial Bonds	956,790	-	(76,543)	880,247	-
Unamortized Discount - Term Bonds	(34,736)	-	1,985	(32,751)	-
2017C Refunding Bonds					
Serial Bonds - 4.0% to 5.0%	4,750,000	-	-	4,750,000	-
Unamortized Premium - Serial Bonds	831,638	-	(97,840)	733,798	-
2020 Advance Refunding Bonds					
Serial Bonds - 0.59% to 1.43%	-	11,885,000	-	11,885,000	140,000
Capital Appreciation Bonds (CABS)	-	450,000	-	450,000	-
Accretion on CABS	-	3,165	-	3,165	-
Unamortized Premium - CABS	-	370,362	(185,181)	185,181	-
General Obligation Bonds Payable	<u>95,095,289</u>	<u>12,708,527</u>	<u>(18,059,468)</u>	<u>89,744,348</u>	<u>5,655,000</u>

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	Amounts Outstanding 6/30/2020	Additions	Deductions	Amounts Outstanding 6/30/2021	Amounts Due Within One Year
Net Pension Liability:					
SERS	9,742,345	718,922	-	10,461,267	-
STRS	33,343,018	4,013,206	-	37,356,224	-
Total Net Pension Liability	43,085,363	4,732,128	-	47,817,491	-
Net OPEB Liability:					
SERS	4,180,659	-	(692,610)	3,488,049	-
Total Net OPEB Liability	4,180,659	-	(692,610)	3,488,049	-
Direct Borrowings					
2010B Certificates of Participation (QSCB)					
Certificates	3,200,000	-	(400,000)	2,800,000	400,000
2019 Certificates of Participation					
Certificates	3,990,000	-	(10,000)	3,980,000	5,000
Unamortized Premium	157,360	-	(10,152)	147,208	-
Total Direct Borrowings	7,347,360	-	(420,152)	6,927,208	405,000
Compensated Absences	1,525,794	373,384	49,530	1,948,708	343,029
Total Long-Term Obligations	\$ 151,234,465	\$ 17,814,039	\$ (19,122,700)	\$ 149,925,804	\$ 6,403,029

2000 School Improvement Bonds

The School District issued School Improvement General Obligation Bonds in the amount of \$950,000 on May 1, 2000. The bonds were issued for a 28 year period with final maturity at December 1, 2028.

2010 Certificates of Participation

On September 22, 2010, the School District issued \$4,000,000 in certificates of participation, Series 2010B, elected to be treated as Federal Taxable Qualified School Construction Bonds, for the purpose of school facilities construction in the Ohio School Facilities Commission program. The maturity date for the certificates is September 1, 2027 with interest costs of 5.55 percent.

On September 22, 2010, the School District issued \$4,020,000 in certificates of participation, Series 2010C, elected to be treated as Federal Taxable Build America Bonds, for the purpose of school facilities construction in the Ohio School Facilities Commission program. The maturity date for the certificates is December 1, 2035 with interest costs from 6.0 to 6.5 percent.

On December 19, 2019, the School District issued \$3,990,000 in refunding certificates of participation, Series 2019, elected to be treated as qualified tax-exempt bonds, for the purpose of refunding the certificates of participation, series 2010C. The maturity date for the \$40,000 term certificates is December 1, 2026 with interest costs of 4.0 percent. The maturity date for the \$3,950,000 serial certificates is December 1, 2035 with interest costs from 2.5 to 4.0 percent. The total debt service payments were reduced by \$30,000 and the present value of this reduction resulted in an economic gain of \$472,920.

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The Certificates of Participation evidence a proportionate interest in the base rent to be paid by the School District under the ground lease agreement. Base rent payments will be recorded as expenditures in the permanent improvement fund (an other governmental fund).

In the event of default, as defined by the lease agreement, the amounts payable by the School District may become due. If payments are not made, the lessor may retake possession of the secured asset, including but not limited to equipment and furniture. Additionally, the lessor has the option to sublease the project facilities, holding the School District liable for all lease payments and other payments due prior to the effective date of the sublease and for the difference between the rental and other amounts paid by the subleases pursuant to such sublease and the amounts payable by the District pursuant to the lease during the then current lease term.

The following is a summary of future base rent payments for the certificates of participation:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 405,000	\$ 347,550	\$ 752,550
2023	405,000	347,350	752,350
2024	405,000	347,150	752,150
2025	405,000	346,950	751,950
2026	405,000	346,750	751,750
2027-2031	2,165,000	875,150	3,040,150
2032-2036	2,590,000	183,419	2,773,419
Total	<u>\$ 6,780,000</u>	<u>\$ 2,794,319</u>	<u>\$ 9,574,319</u>

2011 Advance Refunding Bonds

On December 22, 2011, the School District issued \$7,820,000 in general obligation bonds for the purpose of refunding \$7,820,000 of the 2004 School Improvement Bonds. The bond issue included serial and capital appreciation bonds, in the amounts of \$7,395,000 and \$425,000, respectively. The bonds were issued for a 10 year period, with final maturity in December 2021.

The serial bonds and capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds matured on December 1, 2017.

2012 Advance Refunding Bonds

On March 6, 2012, the School District issued \$8,502,212 in general obligation bonds for the purpose of refunding \$8,505,000 of the 2005 School Construction Current Refunding Bonds. The bond issue included serial and capital appreciation bonds, in the amounts of \$8,175,000 and \$327,212, respectively. The bonds were issued for a 20 year period, with final maturity in December 2032.

The serial bonds issued at \$8,175,000 and with final maturity dates after December 1, 2021 are subject to optional redemption, in whole or in part on any date in order of maturity as determined by the School District and by lot within maturity, at the option of the Board of Education on or after December 1, 2021 at the redemption price of 100 percent.

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The capital appreciation bonds are not subject to prior redemption. The outstanding capital appreciation, issued at \$50,000, bonds matured in fiscal year 2020 in the amount of \$500,000.

2013 Advance Refunding Bonds

On May 16, 2013, the School District issued \$15,719,980 in general obligation bonds for the purpose of refunding \$15,720,000 of the 2005 School Improvement Advance Refunding Bonds. The bond issue included serial and capital appreciation bonds, in the amounts of \$15,190,000 and \$529,980, respectively. The bonds were issued for a 15 year period, with final maturity in December 2028. On August 13, 2020, the School District issued \$12,335,000 in general obligation bonds for the purpose of refunding \$12,335,000 of the 2013 Advance Refunding Bonds.

The serial bonds issued at \$15,190,000 and with final maturity dates after December 1, 2028 are subject to optional redemption, in whole or in part on any date in order of maturity as determined by the School District and by lot within maturity, at the option of the Board of Education on or after December 1, 2028 at the redemption price of 100 percent.

The capital appreciation bonds, issued at \$529,980, are not subject to prior redemption. Certain capital appreciation bonds matured in fiscal year 2020 in the amount of \$1,330,000 and certain others matured in fiscal year 2021 in the amount of \$1,147,619.

2016 Refunding Bonds

On October 27, 2016, the School District issued \$8,480,000 in general obligation term bonds for the purpose of refunding \$8,480,000 of the 2006 Advance Refunding Bonds. The bonds were issued for an 8 year period and mature on December 1, 2024.

The outstanding term bonds are subject to mandatory sinking fund redemption on December 1, 2018, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2022	\$ 90,000
2023	3,160,000
2024	3,645,000
2025	1,250,000

2017A School Facilities Improvement Bonds

On September 21, 2017, the School District issued \$42,565,000 in general obligation bonds for the purpose of constructing and renovating school facilities, including a new high school, and locally funded initiatives together with matching funds under the Classroom Facilities Assistance Program of the Ohio School Facilities Commission; furnishing and equipping the same, including buses and motor vehicles for school use; improving the sites thereof; and acquiring land and interests in land. The bond issue included serial and term bonds, in the amounts of \$12,115,000 and \$30,450,000, respectively. The term bonds were issued for a 37-year period with final maturity at October 1, 2054. The serial bonds were issued for a 20-year period with final maturity at October 1, 2037.

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The term bonds in the amount of \$2,640,000 maturing on October 1, 2032, are subject to mandatory sinking fund redemption on October 1, 2030, and on each October 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

<u>Fiscal Year</u>	<u>Principal Amount to be Redeemed</u>
2031	\$ 845,000
2032	880,000
2033	915,000

The term bonds in the amount of \$6,385,000 maturing on October 1, 2042, are subject to mandatory sinking fund redemption on October 1, 2038, and on each October 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

<u>Fiscal Year</u>	<u>Principal Amount to be Redeemed</u>
2039	\$ 1,155,000
2040	1,215,000
2041	1,275,000
2042	1,335,000
2043	1,405,000

The term bonds in the amount of \$7,890,000 maturing on October 1, 2047, are subject to mandatory sinking fund redemption on October 1, 2043, and on each October 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

<u>Fiscal Year</u>	<u>Principal Amount to be Redeemed</u>
2044	\$ 1,475,000
2045	1,525,000
2046	1,575,000
2047	1,630,000
2048	1,685,000

The term bonds in the amount of \$13,535,000 maturing on October 1, 2054, are subject to mandatory sinking fund redemption on October 1, 2048, and on each October 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

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Fiscal Year	Principal Amount to be Redeemed
2049	\$ 1,740,000
2050	1,800,000
2051	1,865,000
2052	1,930,000
2053	1,995,000
2054-2055	4,205,000

2017B School Facilities Improvement Bonds

On September 21, 2017, the School District issued \$8,035,000 in general obligation bonds for the purpose of constructing and renovating school facilities, including a new high school, and locally funded initiatives together with matching funds under the Classroom Facilities Assistance Program of the Ohio School Facilities Commission; furnishing and equipping the same, including buses and motor vehicles for school use; improving the sites thereof; and acquiring land and interests in land. The bond issue included serial and term bonds, in the amounts of \$5,870,000 and \$2,165,000, respectively. The bonds were issued for a 20 year period with final maturity at October 1, 2038.

The term bonds in the amount of \$825,000 maturing on October 1, 2034, are subject to mandatory sinking fund redemption on October 1, 2033, and on each October 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2034	\$ 405,000
2035	420,000

The term bonds in the amount of \$1,340,000 maturing on October 1, 2037, are subject to mandatory sinking fund redemption on October 1, 2035, and on each October 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2036	\$ 435,000
2037	445,000
2038	460,000

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2017C Refunding Bonds

On September 21, 2017, the School District issued \$5,000,000 in general obligation serial bonds for the purpose of refunding \$8,705,000 of the 2007 Advance Refunding Bonds. The bonds were issued for an 11 year period and mature on October 1, 2029.

2020 Refunding Bonds

On August 13, 2020, the School District issued \$12,335,000 in general obligation bonds for the purpose of refunding \$12,335,000 of the 2013 School Improvement Advance Refunding Bonds. The bond issue included serial and capital appreciation bonds, in the amounts of \$11,885,000 and \$450,000, respectively. The bonds were issued for an eight year period, with final maturity in December 2028. The total debt service payments were reduced by \$0 and the present value of this reduction resulted in an economic gain of \$912,822.

The serial and capital appreciation bonds are not subject to prior redemption. The capital appreciation bonds mature in fiscal year 2023 in the amount of \$835,000.

Principal and interest requirements to retire the School District's outstanding debt at June 30, 2021, are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds					
	Serial Bonds		Term Bonds		Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 5,565,000	\$ 1,227,300	\$ 90,000	\$ 1,374,325	\$ -	\$ -
2023	1,840,000	1,143,625	3,160,000	1,346,211	450,000	385,000
2024	2,295,000	1,118,698	3,645,000	1,287,348	-	-
2025	3,640,000	1,067,047	1,250,000	1,245,005	-	-
2026	4,980,000	952,395	-	1,234,195	-	-
2027-2031	19,160,000	2,567,580	845,000	6,154,068	-	-
2032-2036	5,075,000	933,803	3,055,000	5,657,070	-	-
2037-2041	2,180,000	88,000	4,550,000	5,058,592	-	-
2042-2046	-	-	7,315,000	3,610,577	-	-
2047-2051	-	-	8,720,000	2,202,050	-	-
2052-2055	-	-	8,130,000	581,351	-	-
Total	<u>\$ 44,735,000</u>	<u>\$ 9,098,448</u>	<u>\$ 40,760,000</u>	<u>\$ 29,750,792</u>	<u>\$ 450,000</u>	<u>\$ 385,000</u>

All general obligation bonds will be retired from the Bond Retirement Fund with property tax revenues.

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FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Legal Debt Margin

The Ohio Revised Code provides that voted general obligation debt of the School District shall never exceed 9% of the total assessed valuation of the School District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the School District. The assessed valuation used in determining the School District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the School District's legal debt margin calculation excluded tangible person property used in business, telephone or telegraph property, interexchange telecommunications company property and personal property owned or leased by a railroad company and used in railroad operations. The School District has been authorized by the Ohio Superintendent of Public Instruction to exceed its overall legal debt limitation for the cost of locally funded initiatives in relation to the ongoing Ohio Facilities Construction Commission Project.

Net Pension/OPEB Liability

There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the fund benefitting from the employees' service. For additional information related to the net pension liability and net OPEB liability see Note 10 and 11.

Compensated Absences

Compensated absences represent accumulated vacation and an estimated severance liability for employees both eligible to retire and those expected to become eligible in the future. The entire compensated absences balance is reported on the entity-wide financial statements. For governmental fund financial statements, the compensated absences are reported only to the extent they have matured and will be paid with current financial resources. The noncurrent portion of the liability is not reported.

The School District pays obligations related to compensated absences from the General Fund and Food Service Fund (an other governmental fund).

NOTE 14 – INTERFUND ACTIVITY

During the fiscal year, the School District transferred \$3,000,000 and \$60,000 from the General Fund to the Permanent Improvement Fund and District-Managed Student Activities Fund, respectively. Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

On an as-needed basis, the School District's General Fund advances cash to other funds of the School District to eliminate cash deficits. During the year, advances from the School District's General Fund were made. As of June 30, 2021, receivables and payables that resulted from those advance transactions were as follows:

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

<u>Fund</u>	<u>Due to the General Fund</u>
Other State Grants	\$ 16,200
Title VI-B IDEA	79,211
Title III	10,671
Title I	14,953
IDEA Preschool	2,236
Title II-A	6,044
	<u>\$ 129,315</u>

NOTE 15 – JOINTLY GOVERNED ORGANIZATION

Licking Area Computer Association - The School District is a participant in the Licking Area Computer Association (LACA), which is a computer consortium. LACA is an association of public school districts within the boundaries of Licking and Muskingum Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of LACA consists of the superintendent from all participating districts. The School District paid \$287,918 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Career and Technology Education Centers of Licking County, 150 Price Road, Newark, Ohio 43055.

NOTE 16 – CONTRACTUAL COMMITMENTS

As of June 30, 2021, the School District had the following commitments with respect to the new high school project:

<u>Project</u>	<u>Contractor</u>	<u>Amount Remaining</u>
Construction Manager at Risk	Robertson Construction	\$ 2,939,393
Architecture and Engineering Services	BSHM Architects	195,891
Commissioning Agent Services	Heapy Engineering	11,305
		<u>\$ 3,146,589</u>

NOTE 17 – SET-ASIDE CALCULATIONS

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 purchase of an equal amount for the acquisition and construction of capital improvements.

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Capital Acquisition
Set-aside cash balance as of June 30, 2020	\$ -
Current fiscal year set-aside requirement	835,237
Current fiscal year offsets	(1,130,512)
Set-aside Reserve Balance as of June 30, 2021	<u>\$ (295,275)</u>
Required Set-aside Balances Carried Forward to FY 2022	<u>\$ -</u>

During fiscal year 2018, the School District issued \$50,600,000 in capital related debt based on a building project under taken by the School District. Those proceeds may be used as qualifying offsets to reduce the capital acquisition to zero for future years. In fiscal year 2021, \$0 of qualifying proceeds were used to reduce the capital acquisition set-aside requirement to zero. At June 30, 2021, the School District still has \$50,600,000 in qualifying proceeds that may be used to reduce the set-aside requirement for future years.

NOTE 18 – CONTINGENCIES

A. Grants

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

B. Litigation

The School District is currently not a party to any material legal proceedings.

NOTE 19 – ACCOUNTABILITY

Fund balances at fiscal year-end included the following individual deficits:

Other Governmental Funds	Deficit Fund Balances
Other State Grants	\$ (4,421)
ESSER	(548,484)
Title III Limited English Proficiency	(877)
Title I Disadvantaged Children	(71,342)
IDEA Preschool Grant for Handicapped	(10,885)
Title II-A Improving Teacher Quality	(4,459)

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

The GAAP basis deficit balances in the Other Governmental Funds are a result of the application of accounting principles generally accepted in the United States of America. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 20 – IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES AND RESTATEMENT OF NET POSITION/FUND BALANCE

For the fiscal year ended June 30, 2021, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, GASB No. 90, *Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61*, and certain provisions of GASB Statement No. Statement No. 93, *Replacement of Interbank Offered Rates*.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the School District reviewed its funds for proper classification, and any fund reclassifications resulted in the restatement of the School District's financial statements (see below).

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the School District.

GASB Statement No. 93 addresses accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. The implementation of certain provisions (all except for paragraphs 13 and 14, which are effective for fiscal years beginning after June 15, 2021), of GASB Statement No. 93 did not have an effect on the financial statements of the School District.

Restatement of Net Position/Fund Balance

The implementation of GASB 84 had the following effect on net position as reported June 30, 2020:

	Governmental Activities
Net Position, June 30, 2020	\$ 16,320,292
GASB Statement No. 84	92,349
Restated Net Position, June 30, 2020	<u>\$ 16,412,641</u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

The implementation of GASB 84 had the following effect on fund balance as reported June 30, 2020:

	Other Governmental Funds
Fund Balance, June 30, 2020	\$ 6,047,036
GASB Statement No. 84	92,349
Restated Fund Balance, June 30, 2020	<u>\$ 6,139,385</u>

Related to the implementation of GASB Statement No. 84, the District will no longer be reporting agency funds.

NOTE 21 – 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 continues. During fiscal year 2021, the School District received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Additional funding has been made available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

NOTE 22 – SUBSEQUENT EVENT

For fiscal year 2022, School District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school, scholarship, and open enrollment funding will be directly funded by the State of Ohio to the respective educating schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the School District were funded to the School District who, in turn, made the payment to the educating school. For fiscal year 2021, the School District reported \$2,947,908 in revenue and expenditures related to these programs. Also, during fiscal year 2021, the School District reported \$288,647 in tuition and fees from the resident school districts which will be direct funded to the School District as the educating entity in fiscal year 2022. This new funding system calculates a unique base cost and a unique "per pupil local capacity amount" for each school district. The School District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY - SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO**

LAST EIGHT FISCAL YEARS (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.1581635%	0.1628290%	0.1629999%	0.1612604%
School District's Proportionate Share of the Net Pension Liability	\$ 10,461,267	\$ 9,742,345	\$ 9,335,306	\$ 9,634,953
School District's Covered Payroll	\$ 5,504,336	\$ 5,546,328	\$ 5,165,767	\$ 5,220,567
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.06%	175.65%	180.71%	184.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%	70.85%	71.36%	69.50%

(1) Information prior to 2014 is not available.

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.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.1551276%	0.1409540%	0.1335550%	0.1335550%
\$ 11,353,909	\$ 8,042,972	\$ 6,759,143	\$ 7,942,088
\$ 4,838,121	\$ 4,273,692	\$ 3,902,864	\$ 3,863,238
234.68%	188.20%	173.18%	205.58%
62.98%	69.16%	71.70%	65.52%

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY - STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

LAST EIGHT FISCAL YEARS (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.15438726%	0.15077515%	0.14314676%	0.14799871%
School District's Proportionate Share of the Net Pension Liability	\$ 37,356,224	\$ 33,343,018	\$ 31,474,758	\$ 35,157,411
School District's Covered Payroll	\$ 18,694,414	\$ 18,268,193	\$ 17,287,655	\$ 16,245,998
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	199.83%	182.52%	182.06%	216.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.48%	77.40%	77.30%	75.30%

(1) Information prior to 2014 is not available.

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.

2017	2016	2015	2014
0.13948374%	0.13166884%	0.12378332%	0.12378332%
\$ 46,689,412	\$ 36,389,416	\$ 30,108,387	\$ 30,494,855
\$ 15,339,830	\$ 14,224,836	\$ 14,363,069	\$ 12,212,484
304.37%	255.82%	209.62%	249.70%
66.80%	72.10%	74.70%	69.30%

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 765,445	\$ 770,607	\$ 748,754	\$ 697,379
Contributions in Relation to the Contractually Required Contribution	<u>\$ (765,445)</u>	<u>\$ (770,607)</u>	<u>\$ (748,754)</u>	<u>\$ (697,379)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 5,467,464	\$ 5,504,336	\$ 5,546,328	\$ 5,165,767
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.50%	13.50%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 730,879	\$ 677,337	\$ 563,273	\$ 540,937	\$ 534,672	\$ 562,629
<u>\$ (730,879)</u>	<u>\$ (677,337)</u>	<u>\$ (563,273)</u>	<u>\$ (540,937)</u>	<u>\$ (534,672)</u>	<u>\$ (562,629)</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
\$ 5,220,567	\$ 4,838,121	\$ 4,273,692	\$ 3,902,864	\$ 3,863,238	\$ 4,183,113
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 2,751,409	\$ 2,617,218	\$ 2,557,547	\$ 2,420,272
Contributions in Relation to the Contractually Required Contribution	<u>\$ (2,751,409)</u>	<u>\$ (2,617,218)</u>	<u>\$ (2,557,547)</u>	<u>\$ (2,420,272)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 19,652,921	\$ 18,694,414	\$ 18,268,193	\$ 17,287,655
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 2,274,440	\$ 2,147,576	\$ 1,991,477	\$ 1,867,199	\$ 1,587,623	\$ 1,651,494
<u>\$ (2,274,440)</u>	<u>\$ (2,147,576)</u>	<u>\$ (1,991,477)</u>	<u>\$ (1,867,199)</u>	<u>\$ (1,587,623)</u>	<u>\$ (1,651,494)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,245,998	\$ 15,339,830	\$ 14,224,836	\$ 14,363,069	\$ 12,212,484	\$ 12,703,800
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY - SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST FIVE FISCAL YEARS (1)

	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.1604940%	0.1662430%	0.1649996%	0.1636642%	0.1572441%
School District's Proportionate Share of the Net OPEB Liability	\$ 3,488,049	\$ 4,180,659	\$ 4,577,535	\$ 4,392,317	\$ 4,482,039
School District's Covered Payroll	\$ 5,504,336	\$ 5,546,328	\$ 5,165,767	\$ 5,220,567	\$ 4,838,121
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	63.37%	75.38%	88.61%	84.13%	92.64%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available.

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.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY/(ASSET) - STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST FIVE FISCAL YEARS (1)

	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability/(Asset)	0.15438700%	0.15077500%	0.14314676%	0.14799871%	0.13948374%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (2,713,348)	\$ (2,497,196)	\$ (2,300,222)	\$ 5,774,364	\$ 7,459,626
School District's Covered Payroll	\$ 18,694,414	\$ 18,268,193	\$ 17,287,655	\$ 16,245,998	\$ 15,339,830
School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	-14.51%	-13.67%	-13.31%	35.54%	48.63%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	182.10%	174.70%	176.00%	47.10%	37.30%

(1) Information prior to 2017 is not available.

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.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution (1)	\$ 89,877	\$ 85,924	\$ 132,668	\$ 113,353
Contributions in Relation to the Contractually Required Contribution	<u>\$ 89,877</u>	<u>\$ 85,924</u>	<u>\$ 132,668</u>	<u>\$ 113,353</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 5,467,464	\$ 5,504,336	\$ 5,546,328	\$ 5,165,767
Contributions as a Percentage of Covered Payroll (1)	1.64%	1.56%	2.39%	2.19%

(1) Includes Surcharge

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 89,303	\$ 79,732	\$ 102,360	\$ 72,078	\$ 72,605	\$ 84,470
<u>\$ 89,303</u>	<u>\$ 79,732</u>	<u>\$ 102,360</u>	<u>\$ 72,078</u>	<u>\$ 72,605</u>	<u>\$ 84,470</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,220,567	\$ 4,838,121	\$ 4,273,692	\$ 3,902,864	\$ 3,863,238	\$ 4,183,113
1.71%	1.65%	2.40%	1.85%	1.88%	2.02%

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM OF OHIO**

LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered Payroll	\$ 19,652,921	\$ 18,694,414	\$ 18,268,193	\$ 17,287,655
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 143,631	\$ 122,125	\$ 127,038
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,631</u>	<u>\$ 122,125</u>	<u>\$ 127,038</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
\$ 16,245,998	\$ 15,339,830	\$ 14,224,836	\$ 14,363,069	\$ 12,212,484	\$ 12,703,800
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

NOTE 1 – NET PENSION LIABILITY

Changes in Assumptions - SERS

Beginning in fiscal year 2018, an assumption of 2.5 percent was used for COLA or Ad Hoc COLA. Prior to 2018, an assumption of 3.0 percent was used.

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

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

Changes in Assumptions – STRS

For fiscal year 2018, the Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to 3.00 percent, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25 percent due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms - SERS

With the authority granted to the Board under SB 8, the Board enacted a three-year COLA delay for future benefit recipients commencing on or after April 1, 2018.

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

Changes in Benefit Terms - STRS

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

NOTE 2 – NET OPEB LIABILITY (ASSET)

Changes in Assumptions – SERS

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

Municipal Bond Index Rate:

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

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

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

Pre-Medicare

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

Medicare

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

Changes in Assumptions – STRS

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

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

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

Changes in Benefit Terms - SERS

There have been no changes to the benefit provisions.

Changes in Benefit Terms – STRS

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

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

For fiscal year 2020, 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 2019, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. This was subsequently extended, see above paragraph.

**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**DESCRIPTION OF FUNDS
GOVERNMENTAL FUNDS**

Bond Retirement Fund

A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Building Fund

A fund used to account for the receipts and expenditures related to all special bond funds in the School District. Proceeds from the sale of bonds, notes, or certificates of indebtedness are paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

Classroom Facilities Fund

A fund used to account for monies received and expended in connection with contracts entered into by the School District and the Ohio Facilities Construction Commission for the building and equipping of classroom facilities.

Non-major Governmental Funds

Non-major Governmental Funds account for revenues from specific sources, which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the School District's Non-major Governmental Funds follows:

Permanent Improvement – A fund provided to account for all transactions related to acquiring, constructing, or improving school facilities.

Capital Projects – A fund used to accumulate money for capital projects.

Food Service – A fund used to account for the financial activity related to the School District's food service operation.

Special Trust – A fund used to account for restricted contributions and donations which the original contributions can be expended for School District programs.

Public School Support – A fund provided to account for specific local revenue sources, other than taxes or expendable trusts (i.e. profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases. This fund is included with the General Fund for financial statement reporting purposes.

Other Local Grants – A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Athletic Tournament – A fund used to account for the School District's revenues and expenditures related to Ohio High School Athletic Association (OHSAA) tournaments.

Classroom Facilities Maintenance – A fund used to account for the proceeds of a tax levy and also intergovernmental revenues received for the maintenance of facilities.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**DESCRIPTION OF FUNDS
GOVERNMENTAL FUNDS**

Student Managed Activities – A fund provided to account for those student activity programs which have student participation in the activity and have student management of the programs. This fund would usually include programs and clubs managed by the School District's students.

District Managed Student Activities – A fund provided to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund includes the athletic programs, choir, theater and other similar types of activities.

Data Communications – A fund which accounts for funds used for any expenses associated with the installation and ongoing support of the data communication links connecting public schools to the Data Acquisition Site and the Ohio Education Computer Network.

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

Other State Grants – A fund provided to account for other state grants, not required to be accounted for in another fund.

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

Coronavirus Relief – A fund used to account for costs that was necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).

Title VI-B IDEA – A fund used to account for federal funds used to assist states in providing an appropriate public education to all children with disabilities.

Title III Limited English Proficiency – A fund used to account for federal funds used to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I Disadvantaged Children – A fund used to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs.

IDEA Preschool Grant for the Handicapped – The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Title II-A Improving Teacher Quality – A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021

	Capital Project Funds		Special Revenue Funds			
	Permanent Improvement	Capital Projects	Food Service	Special Trust	Other Local Grants	Athletic Tournament
Assets:						
Equity in Pooled Cash and Investments	\$ 4,221,422	\$ 2,003,777	\$ 697,342	\$ 4,647	\$ 69,119	\$ 8,336
Receivables:						
Property Taxes	1,030,298	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Prepaid Items	-	-	1,200	-	-	-
Materials and Supplies Inventory	-	-	21,580	-	-	-
Total Assets	<u>\$ 5,251,720</u>	<u>\$ 2,003,777</u>	<u>\$ 720,122</u>	<u>\$ 4,647</u>	<u>\$ 69,119</u>	<u>\$ 8,336</u>
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ 8,497	\$ -	\$ -	\$ -
Accrued Wages and Benefits Payable	-	-	88,313	-	-	-
Intergovernmental Payable	-	-	38,113	-	-	-
Interfund Payable	-	-	-	-	-	-
Matured Compensated Absences	-	-	7,587	-	-	-
Unearned Revenue	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>142,510</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:						
Property and Other Local Taxes	745,371	-	-	-	-	-
Unavailable Revenue	13,063	-	-	-	-	-
Total Deferred Inflows of Resources	<u>758,434</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Nonspendable:						
Prepaid Items	-	-	1,200	-	-	-
Restricted for:						
Permanent Improvements	4,493,286	-	-	-	-	-
Classroom Facilities Maintenance	-	-	-	-	-	-
Food Service	-	-	576,412	-	-	-
Special Trust	-	-	-	4,647	-	-
Other Local Grants	-	-	-	-	69,119	-
Extracurricular Activities	-	-	-	-	-	8,336
State and Federal Grants	-	-	-	-	-	-
Assigned for:						
Capital Projects	-	2,003,777	-	-	-	-
Unassigned (Deficit):	-	-	-	-	-	-
Total Fund Balances	<u>4,493,286</u>	<u>2,003,777</u>	<u>577,612</u>	<u>4,647</u>	<u>69,119</u>	<u>8,336</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,251,720</u>	<u>\$ 2,003,777</u>	<u>\$ 720,122</u>	<u>\$ 4,647</u>	<u>\$ 69,119</u>	<u>\$ 8,336</u>

Classroom Facilities Maintenance	Student Managed Student Activities	District Managed Student Activities	Data Communications	Student Wellness and Success	Other State Grants	ESSER	Coronavirus Relief
\$ 1,308,475	\$ 77,545	\$ 114,588	\$ -	\$ -	\$ 13,471	\$ 6,159	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	3,790	49	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,308,475</u>	<u>\$ 77,545</u>	<u>\$ 114,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,261</u>	<u>\$ 6,208</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	4,749	-	-
-	-	-	-	-	733	-	-
-	-	-	-	-	16,200	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	554,692	-
-	-	-	-	-	21,682	554,692	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	(4,421)	(548,484)	-
<u>1,308,475</u>	<u>77,545</u>	<u>114,588</u>	<u>-</u>	<u>-</u>	<u>(4,421)</u>	<u>(548,484)</u>	<u>-</u>
<u>\$ 1,308,475</u>	<u>\$ 77,545</u>	<u>\$ 114,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,261</u>	<u>\$ 6,208</u>	<u>\$ -</u>

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2021
(CONTINUED)

	Special Revenue Funds					
	Title VI-B IDEA	Title III	Title I	IDEA Preschool	Title II-A	Other Governmental Funds
Assets:						
Equity in Pooled Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,524,881
Receivables:						
Property Taxes	-	-	-	-	-	1,030,298
Intergovernmental	220,298	28,223	16,467	5,539	9,206	283,572
Prepaid Items	-	-	-	-	-	1,200
Materials and Supplies Inventory	-	-	-	-	-	21,580
Total Assets	<u>\$ 220,298</u>	<u>\$ 28,223</u>	<u>\$ 16,467</u>	<u>\$ 5,539</u>	<u>\$ 9,206</u>	<u>\$ 9,861,531</u>
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,497
Accrued Wages and Benefits Payable	113,733	16,030	63,862	12,307	6,632	305,626
Intergovernmental Payable	15,174	2,399	8,994	1,881	989	68,283
Interfund Payable	79,211	10,671	14,953	2,236	6,044	129,315
Matured Compensated Absences	-	-	-	-	-	7,587
Unearned Revenue	-	-	-	-	-	554,692
Total Liabilities	<u>208,118</u>	<u>29,100</u>	<u>87,809</u>	<u>16,424</u>	<u>13,665</u>	<u>1,074,000</u>
Deferred Inflows of Resources:						
Property and Other Local Taxes	-	-	-	-	-	745,371
Unavailable Revenue	-	-	-	-	-	13,063
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>758,434</u>
Fund Balances:						
Nonspendable:						
Prepaid Items	-	-	-	-	-	1,200
Restricted for:						
Permanent Improvements	-	-	-	-	-	4,493,286
Classroom Facilities Maintenance	-	-	-	-	-	1,308,475
Food Service	-	-	-	-	-	576,412
Special Trust	-	-	-	-	-	4,647
Other Local Grants	-	-	-	-	-	69,119
Extracurricular Activities	-	-	-	-	-	200,469
State and Federal Grants	12,180	-	-	-	-	12,180
Assigned for:						
Capital Projects	-	-	-	-	-	2,003,777
Unassigned (Deficit):	-	(877)	(71,342)	(10,885)	(4,459)	(640,468)
Total Fund Balances	<u>12,180</u>	<u>(877)</u>	<u>(71,342)</u>	<u>(10,885)</u>	<u>(4,459)</u>	<u>8,029,097</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 220,298</u>	<u>\$ 28,223</u>	<u>\$ 16,467</u>	<u>\$ 5,539</u>	<u>\$ 9,206</u>	<u>\$ 9,861,531</u>

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Capital Project Funds		Special Revenue Funds			
	Permanent Improvement	Capital Projects	Food Service	Special Trust	Other Local Grants	Athletic Tournament
Revenues:						
Property Taxes	\$ 1,068,198	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	114,209	-	1,691,132	-	85,125	-
Investment Earnings	-	-	2,267	-	-	-
Extracurricular Activities	-	-	-	-	-	4,741
Contributions and Donations	-	-	-	-	500	-
Customer Sales and Services	-	-	23,595	-	-	-
Miscellaneous	-	-	12,305	-	-	-
Total Revenues	<u>1,182,407</u>	<u>-</u>	<u>1,729,299</u>	<u>-</u>	<u>85,625</u>	<u>4,741</u>
Expenditures:						
Instruction:						
Regular	-	-	-	-	1,158,329	-
Special	-	-	-	-	-	-
Support services:						
Pupils	-	-	-	-	-	-
Instructional Staff	-	-	-	-	7,334	-
Administration	-	-	-	-	-	-
Fiscal	17,317	-	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-	-	-
Pupil Transportation	-	-	-	-	-	-
Central	-	-	-	-	-	-
Non-Instructional Services	-	-	1,541,620	-	-	-
Extracurricular Activities	-	-	-	-	-	3,253
Capital Outlay	-	453,470	175,164	-	-	-
Debt service:						
Principal Retirement	410,000	-	-	-	-	-
Interest and Fiscal Charges	172,205	-	-	-	-	-
Total Expenditures	<u>599,522</u>	<u>453,470</u>	<u>1,716,784</u>	<u>-</u>	<u>1,165,663</u>	<u>3,253</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	582,885	(453,470)	12,515	-	(1,080,038)	1,488
Other Financing Sources (Uses):						
Transfers In	3,000,000	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	3,582,885	(453,470)	12,515	-	(1,080,038)	1,488
Fund Balances - Beginning of Year, Restated	910,401	2,457,247	565,097	4,647	1,149,157	6,848
Fund Balances - End of Year	<u>\$ 4,493,286</u>	<u>\$ 2,003,777</u>	<u>\$ 577,612</u>	<u>\$ 4,647</u>	<u>\$ 69,119</u>	<u>\$ 8,336</u>

Special Revenue Funds

Classroom Facilities Maintenance	Student Managed Student Activities	District Managed Student Activities	Data Communications	Student Wellness and Success	Other State Grants	ESSER	Coronavirus Relief
\$ 261,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	10,800	444,011	140,996	47,474	265,474
-	-	-	-	-	-	-	-
-	471	113,689	-	-	-	-	-
-	-	6,932	-	-	-	-	-
-	-	-	-	-	-	-	-
-	467	2,480	-	-	-	-	-
261,695	938	123,101	10,800	444,011	140,996	47,474	265,474
-	-	-	-	-	-	336,266	250,554
-	-	-	-	-	-	-	-
-	-	-	-	452,277	70,670	14,414	-
-	-	-	-	-	-	183,506	14,920
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	27,640	32,837	-
-	-	-	-	-	48,525	1,214	-
-	-	-	10,800	-	-	23,564	-
-	-	-	-	-	-	4,157	-
-	8,894	156,333	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	8,894	156,333	10,800	452,277	146,835	595,958	265,474
261,695	(7,956)	(33,232)	-	(8,266)	(5,839)	(548,484)	-
-	-	60,000	-	-	-	-	-
-	-	60,000	-	-	-	-	-
261,695	(7,956)	26,768	-	(8,266)	(5,839)	(548,484)	-
1,046,780	85,501	87,820	-	8,266	1,418	-	-
\$ 1,308,475	\$ 77,545	\$ 114,588	\$ -	\$ -	\$ (4,421)	\$ (548,484)	\$ -

(continued)

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Special Revenue Funds					Other Governmental Funds
	Title VI-B IDEA	Title III	Title I	IDEA Preschool	Title II-A	
Revenues:						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,329,893
Intergovernmental	999,039	116,273	810,989	24,323	20,832	4,770,677
Investment Earnings	-	-	-	-	-	2,267
Extracurricular Activities	-	-	-	-	-	118,901
Contributions and Donations	-	-	-	-	-	7,432
Customer Sales and Services	-	-	-	-	-	23,595
Miscellaneous	-	-	-	-	-	15,252
Total Revenues	999,039	116,273	810,989	24,323	20,832	6,268,017
Expenditures:						
Instruction:						
Regular	-	-	-	-	-	1,745,149
Special	912,892	114,287	767,187	37,499	-	1,831,865
Support services:						
Pupils	-	-	-	-	202	537,563
Instructional Staff	-	-	-	99	24,328	230,187
Administration	-	-	-	-	2,000	2,000
Fiscal	-	-	-	-	-	17,317
Operation and Maintenance of Plant	-	-	-	-	-	60,477
Pupil Transportation	-	-	-	-	-	49,739
Central	-	-	-	-	155	34,519
Non-Instructional Services	-	-	4,393	-	-	1,550,170
Extracurricular Activities	-	-	-	-	-	168,480
Capital Outlay	-	-	-	-	-	628,634
Debt service:						
Principal Retirement	-	-	-	-	-	410,000
Interest and Fiscal Charges	-	-	-	-	-	172,205
Total Expenditures	912,892	114,287	771,580	37,598	26,685	7,438,305
Excess (Deficiency) of Revenues Over (Under) Expenditures	86,147	1,986	39,409	(13,275)	(5,853)	(1,170,288)
Other Financing Sources (Uses):						
Transfers In	-	-	-	-	-	3,060,000
Total Other Financing Sources (Uses)	-	-	-	-	-	3,060,000
Net Change in Fund Balances	86,147	1,986	39,409	(13,275)	(5,853)	1,889,712
Fund Balances - Beginning of Year, Restated	(73,967)	(2,863)	(110,751)	2,390	1,394	6,139,385
Fund Balances - End of Year	\$ 12,180	\$ (877)	\$ (71,342)	\$ (10,885)	\$ (4,459)	\$ 8,029,097

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Bond Retirement			
Total Revenues and Other Sources	\$ 22,185,600	\$ 21,990,465	\$ (195,135)
Total Expenditures and Other Uses	<u>21,131,439</u>	<u>20,939,769</u>	<u>191,670</u>
Net Change in Fund Balance	1,054,161	1,050,696	(3,465)
Fund Balances - July 1	4,440,436	4,440,436	-
Fund Balances - June 30	<u>\$ 5,494,597</u>	<u>\$ 5,491,132</u>	<u>\$ (3,465)</u>

Building

Total Revenues and Other Sources	\$ 139,000	\$ 118,262	\$ (20,738)
Total Expenditures and Other Uses	<u>10,013,943</u>	<u>9,913,674</u>	<u>100,269</u>
Net Change in Fund Balance	(9,874,943)	(9,795,412)	79,531
Fund Balances - July 1	1,470,995	1,470,995	-
Prior Year Encumbrances Appropriated	9,752,771	9,752,771	-
Fund Balances - June 30	<u>\$ 1,348,823</u>	<u>\$ 1,428,354</u>	<u>\$ 79,531</u>

Classroom Facilities

Total Revenues and Other Sources	\$ 4,085,502	\$ 3,806,175	\$ (279,327)
Total Expenditures and Other Uses	<u>7,923,862</u>	<u>7,918,474</u>	<u>5,388</u>
Net Change in Fund Balance	(3,838,360)	(4,112,299)	(273,939)
Fund Balances - July 1	(2,685,440)	(2,685,440)	-
Prior Year Encumbrances Appropriated	7,563,324	7,563,324	-
Fund Balances - June 30	<u>\$ 1,039,524</u>	<u>\$ 765,585</u>	<u>\$ (273,939)</u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Permanent Improvement			
Total Revenues and Other Sources	\$ 4,245,000	\$ 4,244,721	\$ (279)
Total Expenditures and Other Uses	<u>864,215</u>	<u>861,217</u>	<u>2,998</u>
Net Change in Fund Balance	3,380,785	3,383,504	2,719
Fund Balances - July 1	837,918	837,918	-
Fund Balances - June 30	<u><u>\$ 4,218,703</u></u>	<u><u>\$ 4,221,422</u></u>	<u><u>\$ 2,719</u></u>

Capital Projects

Total Expenditures and Other Uses	<u>\$ 636,391</u>	<u>\$ 633,178</u>	<u>\$ 3,213</u>
Net Change in Fund Balance	(636,391)	(633,178)	3,213
Fund Balances - July 1	2,164,307	2,164,307	-
Prior Year Encumbrances Appropriated	472,648	472,648	-
Fund Balances - June 30	<u><u>\$ 2,000,564</u></u>	<u><u>\$ 2,003,777</u></u>	<u><u>\$ 3,213</u></u>

Food Service

Total Revenues and Other Sources	\$ 1,585,000	\$ 1,585,824	\$ 824
Total Expenditures and Other Uses	<u>1,923,970</u>	<u>1,881,143</u>	<u>42,827</u>
Net Change in Fund Balance	(338,970)	(295,319)	43,651
Fund Balances - July 1	979,900	979,900	-
Prior Year Encumbrances Appropriated	8,716	8,716	-
Fund Balances - June 30	<u><u>\$ 649,646</u></u>	<u><u>\$ 693,297</u></u>	<u><u>\$ 43,651</u></u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Special Trust			
Total Expenditures and Other Uses	\$ 1,500	\$ -	\$ 1,500
Net Change in Fund Balance	(1,500)	-	1,500
Fund Balances - July 1	4,647	4,647	-
Fund Balances - June 30	<u>\$ 3,147</u>	<u>\$ 4,647</u>	<u>\$ 1,500</u>
Public School Support			
Total Revenues and Other Sources	\$ 78,938	\$ 47,506	\$ (31,432)
Total Expenditures and Other Uses	145,250	128,221	17,029
Net Change in Fund Balance	(66,312)	(80,715)	(14,403)
Fund Balances - July 1	\$ 157,592	157,592	-
Prior Year Encumbrances Appropriated	4,227	4,227	-
Fund Balances - June 30	<u>\$ 95,507</u>	<u>\$ 81,104</u>	<u>\$ (14,403)</u>
Other Local Grants			
Total Revenues and Other Sources	\$ 106,513	\$ 85,625	\$ (20,888)
Total Expenditures and Other Uses	1,236,413	1,166,176	70,237
Net Change in Fund Balance	(1,129,900)	(1,080,551)	49,349
Fund Balances - July 1	480,157	480,157	-
Prior Year Encumbrances Appropriated	669,000	669,000	-
Fund Balances - June 30	<u>\$ 19,257</u>	<u>\$ 68,606</u>	<u>\$ 49,349</u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Athletic Tournament			
Total Revenues and Other Sources	\$ 8,500	\$ 4,741	\$ (3,759)
Total Expenditures and Other Uses	<u>11,500</u>	<u>3,253</u>	<u>8,247</u>
Net Change in Fund Balance	(3,000)	1,488	4,488
Fund Balances - July 1	6,848	6,848	-
Fund Balances - June 30	<u><u>\$ 3,848</u></u>	<u><u>\$ 8,336</u></u>	<u><u>\$ 4,488</u></u>
Classroom Facilities Maintenance			
Total Revenues and Other Sources	\$ 261,695	\$ 261,695	\$ -
Net Change in Fund Balance	261,695	261,695	-
Fund Balances - July 1	1,046,780	1,046,780	-
Fund Balances - June 30	<u><u>\$ 1,308,475</u></u>	<u><u>\$ 1,308,475</u></u>	<u><u>\$ -</u></u>
Student-Managed Student Activities			
Total Revenues and Other Sources	\$ 8,075	\$ 7,594	\$ (481)
Total Expenditures and Other Uses	<u>18,940</u>	<u>10,957</u>	<u>7,983</u>
Net Change in Fund Balance	(10,865)	(3,363)	7,502
Fund Balances - July 1	80,544	80,544	-
Prior Year Encumbrances Appropriated	364	364	-
Fund Balances - June 30	<u><u>\$ 70,043</u></u>	<u><u>\$ 77,545</u></u>	<u><u>\$ 7,502</u></u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
District-Managed Student Activities			
Total Revenues and Other Sources	\$ 183,738	\$ 183,101	\$ (637)
Total Expenditures and Other Uses	<u>159,701</u>	<u>157,533</u>	<u>2,168</u>
Net Change in Fund Balance	24,037	25,568	1,531
Fund Balances - July 1	87,643	87,643	-
Prior Year Encumbrances Appropriated	177	177	-
Fund Balances - June 30	<u><u>\$ 111,857</u></u>	<u><u>\$ 113,388</u></u>	<u><u>\$ 1,531</u></u>

Data Communications

Total Revenues and Other Sources	\$ 10,800	\$ 10,800	\$ -
Total Expenditures and Other Uses	<u>10,800</u>	<u>10,800</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Student Wellness & Success

Total Revenues and Other Sources	\$ 444,075	\$ 444,011	\$ (64)
Total Expenditures and Other Uses	<u>507,994</u>	<u>507,994</u>	<u>-</u>
Net Change in Fund Balance	(63,919)	(63,983)	(64)
Fund Balances - July 1	63,983	63,983	-
Fund Balances - June 30	<u><u>\$ 64</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (64)</u></u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Other State Grants			
Total Revenues and Other Sources	\$ 159,515	\$ 158,438	\$ (1,077)
Total Expenditures and Other Uses	<u>148,068</u>	<u>146,991</u>	<u>1,077</u>
Net Change in Fund Balance	11,447	11,447	-
Fund Balances - July 1	(2,472)	(2,472)	-
Prior Year Encumbrances Appropriated	4,496	4,496	-
Fund Balances - June 30	<u><u>\$ 13,471</u></u>	<u><u>\$ 13,471</u></u>	<u><u>\$ -</u></u>

ESSER

Total Revenues and Other Sources	\$ 1,920,550	\$ 602,117	\$ (1,318,433)
Total Expenditures and Other Uses	<u>1,920,550</u>	<u>1,492,621</u>	<u>427,929</u>
Net Change in Fund Balance	-	(890,504)	(890,504)
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u><u>\$ -</u></u>	<u><u>\$ (890,504)</u></u>	<u><u>\$ (890,504)</u></u>

Coronavirus Relief Fund

Total Revenues and Other Sources	\$ 402,020	\$ 265,474	\$ (136,546)
Total Expenditures and Other Uses	<u>402,020</u>	<u>280,704</u>	<u>121,316</u>
Net Change in Fund Balance	-	(15,230)	(15,230)
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u><u>\$ -</u></u>	<u><u>\$ (15,230)</u></u>	<u><u>\$ (15,230)</u></u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Title VI-B IDEA			
Total Revenues and Other Sources	\$ 1,201,776	\$ 981,478	\$ (220,298)
Total Expenditures and Other Uses	<u>1,104,698</u>	<u>1,060,689</u>	<u>44,009</u>
Net Change in Fund Balance	97,078	(79,211)	(176,289)
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u><u>\$ 97,078</u></u>	<u><u>\$ (79,211)</u></u>	<u><u>\$ (176,289)</u></u>

Title III

Total Revenues and Other Sources	\$ 154,435	\$ 111,493	\$ (42,942)
Total Expenditures and Other Uses	<u>149,944</u>	<u>129,083</u>	<u>20,861</u>
Net Change in Fund Balance	4,491	(17,590)	(22,081)
Fund Balances - July 1	(14,730)	(14,730)	-
Prior Year Encumbrances Appropriated	14,730	14,730	-
Fund Balances - June 30	<u><u>\$ 4,491</u></u>	<u><u>\$ (17,590)</u></u>	<u><u>\$ (22,081)</u></u>

Title I

Total Revenues and Other Sources	\$ 907,597	\$ 872,266	\$ (35,331)
Total Expenditures and Other Uses	<u>857,728</u>	<u>892,144</u>	<u>(34,416)</u>
Net Change in Fund Balance	49,869	(19,878)	(69,747)
Fund Balances - July 1	(8,738)	(8,738)	-
Prior Year Encumbrances Appropriated	8,738	8,738	-
Fund Balances - June 30	<u><u>\$ 49,869</u></u>	<u><u>\$ (19,878)</u></u>	<u><u>\$ (69,747)</u></u>

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
IDEA Preschool			
Total Revenues and Other Sources	\$ 30,854	\$ 25,312	\$ (5,542)
Total Expenditures and Other Uses	<u>26,715</u>	<u>27,548</u>	<u>(833)</u>
Net Change in Fund Balance	4,139	(2,236)	(6,375)
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u><u>\$ 4,139</u></u>	<u><u>\$ (2,236)</u></u>	<u><u>\$ (6,375)</u></u>

Title II-A

Total Revenues and Other Sources	\$ 28,377	\$ 14,414	\$ (13,963)
Total Expenditures and Other Uses	<u>26,983</u>	<u>20,795</u>	<u>6,188</u>
Net Change in Fund Balance	1,394	(6,381)	(7,775)
Fund Balances - July 1	-	-	-
Fund Balances - June 30	<u><u>\$ 1,394</u></u>	<u><u>\$ (6,381)</u></u>	<u><u>\$ (7,775)</u></u>

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

**FUND DESCRIPTIONS
PROPRIETARY FUND**

Internal Service Fund

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to another department or agency on a cost reimbursement basis. A description of the District's Internal Service Fund follows:

Employee Benefit Self-Insurance - A fund provided to account for monies received from other funds as payment for providing medical, hospitalization, life and dental insurance. Payments are made to a third party administrator for claims payments, claims administration and stop-loss coverage.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

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

	Final Budget	Actual	Variance Over/(Under)
Employee Benefit Self Insurance			
Total Revenues and Other Sources	\$ 5,710,500	\$ 5,713,959	\$ 3,459
Total Expenses and Other Uses	<u>5,463,000</u>	<u>5,326,502</u>	<u>136,498</u>
Net Change in Fund Balance	247,500	387,457	139,957
Fund Balance - July 1	<u>5,265,657</u>	<u>5,265,657</u>	<u>-</u>
Fund Balance - June 30	<u><u>\$ 5,513,157</u></u>	<u><u>\$ 5,653,114</u></u>	<u><u>\$ 139,957</u></u>

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Statistical Section

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY**

Statistical Section

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

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

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

TABLE 1

Licking Heights Local School District
Licking County
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015
Net Investment in Capital Assets	\$ 800,512	\$ (361,325)	\$ (1,589,815)	\$ (1,954,659)
Restricted for:				
Debt Service	1,958,608	786,419	1,222,059	1,298,337
Permanent Improvements	1,126,942	1,119,836	2,987,358	2,666,294
Capital Projects	1,152,359	1,858,820	186,537	5,382
Classroom Facilities Maintenance	-	-	-	-
Food Services	63,875	90,864	160,541	274,475
Special Trust	6,799	6,549	5,399	7,031
Other Local Grants	14,932	2,890	4,248	1,521
Extracurricular Activities	19,651	33,774	40,736	62,850
State and Federal Grants	11,810	75,848	100,138	49,314
Unrestricted (Deficit)	(1,624,367)	(2,758,884)	(637,095)	(35,243,496)
Total Net Positions	<u>\$ 3,531,121</u>	<u>\$ 854,791</u>	<u>\$ 2,480,106</u>	<u>\$ (32,832,951)</u>

Note: GASB 65 was implemented in fiscal year 2013. Effects of the implementation can not fully be shown for prior years.

Note: GASB 68 was implemented in fiscal year 2015. Effects of the implementation can not fully be shown for prior years.

Note: GASB 75 was implemented in fiscal year 2018. Effects of the implementation can not fully be shown for prior years.

Note: GASB 84 was implemented in fiscal year 2021. Effects of the implementation can not fully be shown for fiscal year 2020.

TABLE 1 (Continued)

2016	2017	2018	2019	2020	2021
\$ (1,191,219)	\$ (1,208,302)	\$ (2,346,991)	\$ 2,875,232	\$ 14,265,858	\$ 19,034,042
1,295,316	1,740,316	3,901,514	4,275,912	4,351,060	7,173,543
1,645,083	774,561	1,131,832	1,206,296	919,291	4,506,349
-	-	21,284,689	18,344,602	7,823,707	5,605,963
-	-	-	785,085	1,046,780	1,308,475
446,517	700,501	664,351	820,750	565,097	577,612
6,112	6,511	7,522	4,692	4,647	4,647
5,381	4,049	2,437	-	-	-
105,754	95,344	86,030	79,928	87,820	192,133
34,871	34,169	64,200	14	18,432	12,180
(33,966,800)	(34,595,125)	(23,545,812)	(17,636,139)	(12,762,400)	(8,485,539)
<u>\$ (31,618,985)</u>	<u>\$ (32,447,976)</u>	<u>\$ 1,249,772</u>	<u>\$ 10,756,372</u>	<u>\$ 16,320,292</u>	<u>\$ 29,929,405</u>

TABLE 2

Licking Heights Local School District
Licking County
Changes in Net Position of Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015
Expenses				
Regular Instruction	\$ 13,899,812	\$ 14,093,807	\$ 18,095,719	\$ 19,842,661
Special Instruction	3,481,537	3,351,224	4,236,919	5,085,115
Vocational Instruction	270,156	149,808	131,862	117,435
Other Instruction	1,562,639	1,776,937	108,522	104,674
Pupil Support Services	1,450,957	1,558,857	1,664,858	2,248,972
Instructional Staff Support Services	1,031,768	2,097,754	1,340,669	1,344,100
Board of Education Support Services	69,766	40,229	49,268	34,978
Administration Support Services	2,304,055	2,128,444	2,171,640	2,214,635
Fiscal Support Services	630,909	765,822	935,302	923,526
Operation and Maintenance of				
Plant Support Services	3,206,411	3,164,022	3,372,845	3,593,320
Pupil Transportation Support Services	2,718,526	2,472,550	2,658,666	2,769,928
Central Support Services	268,270	216,885	528,745	855,049
Noninstructional Services	1,519,907	1,481,998	1,516,364	1,510,200
Extracurricular Activities	552,410	567,537	582,986	632,709
Unallocated Depreciation				
Interest and Fiscal Charges	3,235,707	3,611,452	3,245,077	3,321,014
Total Expenses	36,202,830	37,477,326	40,639,442	44,598,316
Program Revenues				
Charges for Services				
Regular Instruction	275,503	298,143	215,013	439,078
Special Instruction	77,117	73,833	57,015	121,818
Vocational Instruction	6,575	3,650	1,905	2,245
Other Instruction	34,887	42,695	1,407	3,183
Pupil Support Services	-	-	-	-
Noninstructional Services	573,008	540,134	547,628	620,829
Extracurricular Activities	276,991	264,126	315,835	250,931
Operating Grants and Contributions				
Regular Instruction	292,957	468,101	969,254	1,666,445
Special Instruction	556,239	376,194	515,607	502,592
Vocational Instruction	-	-	-	-
Other Instruction	1,550	1,250	350	-
Pupil Support Services	-	120,059	5,328	-
Instructional Staff Support Services	163,237	244,017	326,673	201,620
Board of Education Support Services	72,151	-	-	-
Administration Support Services	-	62,513	62,696	65,154
Fiscal Support Services	72,797	-	-	-

TABLE 2 (Continued)

2016	2017	2018	2019	2020	2021
\$ 20,451,172	\$ 21,929,362	\$ 10,832,092	\$ 19,592,264	\$ 24,507,806	\$ 27,917,307
5,283,151	6,490,411	4,696,963	7,435,924	7,928,192	7,890,119
100,425	103,055	2,334	2,500	12	-
7,321	57,098	22,337	55,888	69,037	100,858
2,274,322	1,912,894	1,449,039	2,345,866	2,745,581	2,854,509
734,392	753,858	458,429	874,580	832,668	1,063,746
100,087	53,347	45,279	55,718	54,883	72,292
2,342,561	2,688,081	1,247,869	2,680,036	3,173,870	3,748,216
1,093,044	1,037,447	799,970	1,360,444	1,475,287	1,494,354
3,504,187	4,001,157	2,731,253	4,007,972	4,628,515	4,347,729
2,828,151	3,100,921	3,753,100	3,762,747	3,621,671	2,816,975
674,583	775,686	1,170,115	1,066,946	1,119,290	1,346,057
1,667,650	1,805,708	1,855,968	2,076,394	2,079,710	1,665,118
696,277	753,164	681,787	863,716	923,723	833,572
3,294,469	2,923,918	4,300,387	3,906,856	3,672,617	2,789,859
45,051,792	48,386,107	34,046,922	50,087,851	56,832,862	58,940,711
391,019	506,437	351,409	484,425	706,194	455,886
106,127	173,540	119,337	189,772	249,832	144,581
2,060	2,567	-	60	-	-
534	1,540	1,012	1,475	2,378	1,866
-	-	4,500	44,679	28,700	-
676,836	675,480	709,322	716,166	626,103	35,900
534,837	396,520	432,647	409,527	457,810	231,171
49,516	34,662	131,837	15,000	63,391	358,394
1,240,181	1,253,863	1,628,429	2,268,791	2,900,896	2,022,434
43,849	55,083	-	55,128	113,361	115,547
-	-	-	-	-	-
-	21,694	40,151	-	354,766	511,820
3,600	-	3,725	13,367	57,360	45,929
-	-	-	-	-	-
71,291	39,593	-	-	-	1,457
-	-	-	-	3,471	-

TABLE 2 (Continued)

Licking Heights Local School District
Licking County
Changes in Net Position of Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015
Operating Grants and Contributions (continued)				
Operation and Maintenance of				
Plant Support Services	70	159	-	-
Pupil Transportation Support Services	44,022	1,529	-	-
Central Support Services	9,000	9,000	29,000	59,000
Noninstructional Services	942,661	960,646	1,003,767	1,030,392
Extracurricular Activities	10,700	12,407	10,363	27,301
<i>Total Program Revenues</i>	<u>3,409,465</u>	<u>3,478,456</u>	<u>4,061,841</u>	<u>4,990,588</u>
Net Expense	<u>(32,793,365)</u>	<u>(33,998,870)</u>	<u>(36,577,601)</u>	<u>(39,607,728)</u>
General Revenues				
Property Taxes Levied for:				
General Purposes	14,463,062	14,644,830	18,911,661	19,439,950
Debt Service	2,833,914	2,651,603	3,364,875	3,436,853
Permanent Improvement	891,831	823,612	935,695	897,295
Classroom Facilities Maintenance	-	-	-	-
Revenue in Lieu of Taxes	1,863,207	1,865,165	3,598,945	2,748,866
Grants and Entitlements not				
Restricted to Specific Programs	10,154,674	10,954,353	11,053,316	13,369,491
Investment Earnings	32,675	14,909	21,590	25,917
Settlement Revenue	-	1,196,855	-	-
Miscellaneous	151,669	104,017	316,834	405,106
<i>Total General Revenues</i>	<u>30,391,032</u>	<u>32,255,344</u>	<u>38,202,916</u>	<u>40,323,478</u>
<i>Change in Net Position</i>	<u>\$ (2,402,333)</u>	<u>\$ (1,743,526)</u>	<u>\$ 1,625,315</u>	<u>\$ 715,750</u>

Note: GASB 65 was implemented in fiscal year 2013. Effects of the implementation can not fully be shown for prior years.

Note: GASB 68 was implemented in fiscal year 2015. Effects of the implementation can not fully be shown for prior years.

Note: GASB 75 was implemented in fiscal year 2018. Effects of the implementation can not fully be shown for prior years.

Note: GASB 84 was implemented in fiscal year 2021. Effects of the implementation can not fully be shown for fiscal year 2020.

TABLE 2 (Continued)

2016	2017	2018	2019	2020	2021
-	-	-	24,363	18,389	28,345
-	-	-	-	-	45,859
9,000	9,000	9,000	9,000	9,000	12,542
1,128,730	1,282,996	1,378,325	1,435,026	1,364,987	1,696,006
58,758	27,209	57,074	62,804	29,376	25,734
4,316,338	4,480,184	4,866,768	5,729,583	6,986,014	5,733,471
(40,735,454)	(43,905,923)	(29,180,154)	(44,358,268)	(49,846,848)	(53,207,240)
19,970,385	18,776,867	22,723,480	21,071,903	19,563,843	29,242,349
3,539,174	3,927,755	7,547,886	7,285,900	6,842,592	10,490,392
915,456	882,672	1,048,865	1,007,182	673,831	1,072,371
-	-	-	-	261,695	261,695
920,150	3,015,543	5,426,085	5,137,796	7,979,236	7,512,168
15,958,371	15,412,230	36,582,382	16,528,625	16,329,404	16,953,928
35,780	87,208	583,440	1,813,653	1,403,158	53,106
-	-	-	-	-	-
610,104	974,657	818,126	1,019,809	2,357,009	1,137,995
41,949,420	43,076,932	74,730,264	53,864,868	55,410,768	66,724,004
\$ 1,213,966	\$ (828,991)	\$ 45,550,110	\$ 9,506,600	\$ 5,563,920	\$ 13,516,764

TABLE 3

Licking Heights Local School District
Licking County
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

<i>Function</i>	2012	2013	2014	2015
Regular Instruction	\$ 568,460	\$ 766,244	\$ 1,184,267	\$ 2,105,523
Special Instruction	633,356	450,027	572,622	624,410
Vocational Instruction	6,575	3,650	1,905	2,245
Other Instruction	36,437	43,945	1,757	3,183
Pupil Support Services	-	120,059	5,328	-
Instructional Staff Support Services	163,237	244,017	326,673	201,620
Board of Education Support Services	72,151	-	-	-
Administration Support Services	-	62,513	62,696	65,154
Fiscal Support Services	72,797	-	-	-
Operation and Maintenance of Plant Support Services	70	159	-	-
Pupil Transportation Support Services	44,022	1,529	-	-
Central Support Services	9,000	9,000	29,000	59,000
Noninstructional Services	1,515,669	1,500,780	1,551,395	1,651,221
Extracurricular Activities	287,691	276,533	326,198	278,232
<i>Total Program Revenues</i>	<u>\$ 3,409,465</u>	<u>\$ 3,478,456</u>	<u>\$ 4,061,841</u>	<u>\$ 4,990,588</u>

TABLE 3 (Continued)

2016	2017	2018	2019	2020	2021
\$ 440,535	\$ 541,099	\$ 483,246	\$ 499,425	\$ 769,585	\$ 814,280
1,346,308	1,427,403	1,747,766	2,458,563	3,150,728	2,167,015
45,909	57,650	-	55,188	113,361	115,547
534	1,540	1,012	1,475	2,378	1,866
-	21,694	44,651	44,679	383,466	511,820
3,600	-	3,725	13,367	57,360	45,929
-	-	-	-	-	-
71,291	39,593	-	-	-	1,457
-	-	-	-	3,471	-
-	-	-	24,363	18,389	28,345
-	-	-	-	-	45,859
9,000	9,000	9,000	9,000	9,000	12,542
1,805,566	1,958,476	2,087,647	2,151,192	1,991,090	1,731,906
593,595	423,729	489,721	472,331	487,186	256,905
<u>\$ 4,316,338</u>	<u>\$ 4,480,184</u>	<u>\$ 4,866,768</u>	<u>\$ 5,729,583</u>	<u>\$ 6,986,014</u>	<u>\$ 5,733,471</u>

TABLE 4

Licking Heights Local School District
Licking County
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Assigned	200,209	1,108,937	474,725	2,146,622
Unassigned	611,373	(485,891)	3,476,768	3,174,472
<i>Total General Fund</i>	<u>811,582</u>	<u>623,046</u>	<u>3,951,493</u>	<u>5,321,094</u>
All Other Governmental Funds				
Nonspendable	-	-	-	-
Restricted	10,131,135	7,586,208	5,645,875	4,496,995
Assigned	-	-	1,197,981	1,200,513
Unassigned	(35,931)	(153,399)	(305,947)	(180,181)
<i>Total All Other Governmental Funds</i>	<u>10,095,204</u>	<u>7,432,809</u>	<u>6,537,909</u>	<u>5,517,327</u>
<i>Total Governmental Funds</i>	<u>\$ 10,906,786</u>	<u>\$ 8,055,855</u>	<u>\$ 10,489,402</u>	<u>\$ 10,838,421</u>

TABLE 4 (Continued)

2016	2017	2018	2019	Restated 2020	2021
\$ -	\$ 51,781	\$ 56,222	\$ 57,908	\$ 53,254	\$ 63,844
5,695,692	5,360,135	8,023,142	6,455,971	2,313,794	534,856
1,404,705	2,774,473	5,226,812	8,406,221	17,974,144	29,358,999
7,100,397	8,186,389	13,306,176	14,920,100	20,341,192	29,957,699
-	4,450	1,359	1,444	1,427	1,200
3,671,148	3,470,572	58,795,045	54,163,990	21,523,840	19,624,360
1,203,515	1,210,411	1,216,572	2,643,255	2,457,247	2,003,777
(88,041)	(539,531)	(198,631)	(115,873)	(187,581)	(640,468)
4,786,622	4,145,902	59,814,345	56,692,816	23,794,933	20,988,869
\$ 11,887,019	\$ 12,332,291	\$ 73,120,521	\$ 71,612,916	\$ 44,136,125	\$ 50,946,568

TABLE 5

Licking Heights Local School District
Licking County
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues				
Property Taxes	\$ 18,362,036	\$ 18,117,284	\$ 23,181,006	\$ 23,817,444
Revenue in Lieu of Taxes	1,901,289	1,865,165	3,598,945	2,748,866
Intergovernmental	12,270,498	12,987,173	15,042,792	17,007,852
Investment Earnings	32,675	14,909	21,590	24,559
Tuition and Fees	354,067	381,903	351,773	566,324
Rent	21,420	15,134	52,186	148,214
Extracurricular Activities	262,826	244,413	305,829	240,925
Contributions and Donations	61,796	25,481	25,096	30,629
Customer Sales and Services	570,008	539,434	544,716	609,906
Miscellaneous	125,468	79,034	230,701	259,915
<i>Total Revenues</i>	<u>33,962,083</u>	<u>34,269,930</u>	<u>43,354,634</u>	<u>45,454,634</u>
Expenditures				
Current:				
Instruction:				
Regular	12,348,949	12,310,927	15,850,749	18,416,354
Special	3,455,795	3,332,820	4,203,169	5,109,451
Vocational	295,327	149,578	140,470	94,144
Other	1,562,639	1,759,121	103,695	133,524
Support Services:				
Pupils	1,447,529	1,565,276	1,648,246	2,210,412
Instructional Staff	1,280,701	2,088,464	1,283,893	1,359,116
Board of Education	69,766	40,229	49,268	34,978
Administration	2,301,000	2,127,303	2,103,319	2,294,705
Fiscal	629,153	770,722	929,332	933,977
Operation and Maintenance of Plant	3,174,961	3,201,136	3,263,983	3,725,346
Pupil Transportation	2,643,096	2,593,210	2,344,463	2,758,636
Central	223,623	225,126	515,624	845,571
Non-Instructional Services	1,497,772	1,458,017	1,481,914	1,537,857
Extracurricular Activities	538,982	555,462	556,501	610,512
Capital Outlay	4,757,107	875,949	2,745,458	523,455
Debt Service:				
Principal Retirement	1,083,682	2,247,231	1,249,978	1,420,093
Interest and Fiscal Charges	2,439,438	2,267,402	2,935,486	3,112,062
Issuance Costs	302,079	265,115	-	-
<i>Total Expenditures</i>	<u>40,051,599</u>	<u>37,833,088</u>	<u>41,405,548</u>	<u>45,120,193</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>(6,089,516)</u>	<u>(3,563,158)</u>	<u>1,949,086</u>	<u>334,441</u>

TABLE 5 (Continued)

Licking Heights Local School District
Licking County
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
Other Financing Sources (Uses)				
Sale of Capital Assets	6,388	11,024	14,367	14,578
Proceeds from Insurance Recoveries	2,000	8,943	18,115	-
Inception of Capital Lease	-	450,370	451,979	-
Refunding Bonds Issued	16,322,212	15,719,980	-	-
Premium on Refunding Bonds Issued	2,543,113	1,743,298	-	-
Payment to Refunded Bond Escrow Agent	(18,553,676)	(17,221,388)	-	-
Bond Proceeds	-	-	-	-
Premium on Bonds Proceeds	-	-	-	-
Discount on Bonds Proceeds	-	-	-	-
Transfers In	7,900	108,900	1,865,897	613,072
Transfers Out	(7,900)	(108,900)	(1,865,897)	(613,072)
<i>Total Other Financing Sources (Uses)</i>	<u>320,037</u>	<u>712,227</u>	<u>484,461</u>	<u>14,578</u>
<i>Net Change in Fund Balances</i>	<u>\$ (5,769,479)</u>	<u>\$ (2,850,931)</u>	<u>\$ 2,433,547</u>	<u>\$ 349,019</u>
Debt Service as a Percentage of Noncapital Expenditures	10.12%	12.44%	10.65%	10.17%

TABLE 5 (Continued)

2016	2017	2018	2019	2020	2021
\$ 24,538,728	\$ 23,658,006	\$ 31,403,936	\$ 29,141,921	\$ 27,629,148	\$ 40,915,483
920,150	3,015,543	5,426,085	5,137,796	7,573,809	7,917,595
18,627,307	17,735,199	22,545,665	26,399,549	32,526,872	21,876,704
30,121	69,114	566,197	1,741,063	1,413,052	94,984
499,740	684,084	471,758	675,732	958,239	602,498
113,485	212,784	237,388	330,974	215,290	105,445
472,032	359,124	405,612	373,872	414,106	226,329
63,967	31,360	59,523	69,195	1,185,870	26,264
670,058	667,897	685,798	697,501	626,103	23,595
555,066	798,402	630,788	778,612	1,057,611	1,049,185
46,490,654	47,231,513	62,432,750	65,346,215	73,600,100	72,838,082
18,721,303	18,768,097	20,711,988	19,923,545	21,105,913	23,259,394
5,081,168	6,431,250	7,032,024	7,906,028	7,463,373	7,376,537
98,642	95,140	2,334	2,500	12	-
25,589	57,078	56,972	61,819	71,055	95,188
2,294,929	1,811,675	2,083,130	2,451,277	2,549,703	2,705,515
706,731	709,980	639,795	897,964	779,691	1,011,534
100,087	52,906	45,201	55,826	54,883	72,292
2,288,993	2,469,630	2,380,176	2,819,979	2,857,187	3,388,160
1,100,329	995,353	842,500	1,328,540	1,405,478	1,451,024
3,542,047	3,961,076	3,608,794	3,667,029	3,793,828	4,068,205
3,296,927	2,744,272	3,685,236	3,724,621	3,317,165	2,357,130
680,597	765,526	1,223,353	1,247,232	1,065,656	1,294,685
1,701,361	1,708,707	2,131,856	2,015,887	1,937,621	1,550,170
679,036	701,996	811,800	869,229	834,383	775,451
98,871	-	571,049	11,865,549	45,472,885	7,750,801
2,911,895	3,460,167	3,738,533	4,306,994	4,779,574	5,437,619
2,119,478	1,992,687	2,683,298	3,712,632	3,680,833	3,240,469
-	65,000	651,894	-	120,110	187,651
45,447,983	46,790,540	52,899,933	66,856,651	101,289,350	66,021,825
1,042,671	440,973	9,532,817	(1,510,436)	(27,689,250)	6,816,257

TABLE 5 (Continued)

2016	2017	2018	2019	2020	2021
5,927	4,299	2,560	2,831	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	8,480,000	5,000,000	-	3,990,000	12,335,000
-	-	1,076,237	-	162,436	370,362
-	(8,480,000)	(8,869,860)	-	(4,032,326)	(12,711,176)
-	-	50,600,000	-	-	-
-	-	3,486,174	-	-	-
-	-	(39,698)	-	-	-
697,957	-	-	2,154,584	-	3,060,000
(697,957)	-	-	(2,154,584)	-	(3,060,000)
5,927	4,299	51,255,413	2,831	120,110	(5,814)
\$ 1,048,598	\$ 445,272	\$ 60,788,230	\$ (1,507,605)	\$ (27,569,140)	\$ 6,810,443
11.27%	11.72%	12.53%	14.79%	15.14%	14.98%

TABLE 6

Licking Heights Local School District
Licking County
Assessed and Estimated Actual Value of Taxable Property
Last Ten Collection Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2012	389,660,560	86,933,150	1,361,696,314	9,178,120	36,712,480
2013	390,563,970	94,725,740	1,386,542,029	9,144,270	36,577,080
2014	393,229,730	99,502,840	1,407,807,343	9,540,180	38,160,720
2015	391,641,296	103,009,525	1,413,288,060	9,596,360	38,385,440
2016	394,150,160	105,090,990	1,426,403,286	24,149,180	96,596,720
2017	399,116,373	105,865,773	1,442,806,131	29,616,670	118,466,680
2018	462,257,330	113,504,790	1,645,034,629	39,505,200	158,020,800
2019	471,452,490	130,938,950	1,721,118,400	43,543,300	174,173,200
2020	486,452,330	144,147,919	1,801,714,997	60,174,580	240,698,320
2021	596,744,030	149,324,090	2,131,623,200	72,200,800	288,803,200

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. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property tax began being phased out in 2006. The listing percentage was reduced to 18.75 percent for tax year 2006, 12.5 percent for tax year 2007, 6.25 percent for tax year 2008 and zero for tax year 2009.

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

Source: Licking County Auditor's Office; Ohio Department of Taxation

TABLE 6 (Continued)

Assessed Value	Total		Effective Tax Rate (Per \$1,000 of Assessed Value)	Voted Tax Rate (Per \$1,000 of Assessed Value)
	Estimated Actual Value	Ratio		
485,771,830	1,398,408,794	34.74%	46.09	50.89
494,433,980	1,423,119,109	34.74%	46.13	50.87
502,272,750	1,445,968,063	34.74%	46.30	60.31
504,247,181	1,451,673,500	34.74%	51.80	60.54
523,390,330	1,523,000,006	34.37%	52.45	59.59
534,598,816	1,561,272,811	34.24%	52.56	60.89
615,267,320	1,803,055,429	34.12%	52.52	62.88
645,934,740	1,895,291,600	34.08%	47.06	60.29
690,774,829	2,042,413,317	33.82%	49.64	59.59
818,268,920	2,420,426,400	33.81%	46.68	56.94

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TABLE 7

Licking Heights Local School District
Licking County
Real Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Collection Years

Tax Year/ Collection Year	Direct Rates				
	Voted			Unvoted	Total
	General	Bond	Perm. Improvement		
2020/2021	38.15	12.00	1.99	4.80	56.94
2019/2020	40.40	12.40	1.99	4.80	59.59
2018/2019	41.40	12.10	1.99	4.80	60.29
2017/2018	42.40	13.69	1.99	4.80	62.88
2016/2017	45.00	9.10	1.99	4.80	60.89
2015/2016	45.20	7.60	1.99	4.80	59.59
2014/2015	46.10	7.65	1.99	4.80	60.54
2013/2014	46.22	7.30	1.99	4.80	60.31
2012/2013	37.55	6.53	1.99	4.80	50.87
2011/2012	37.80	6.30	1.99	4.80	50.89

Source: Licking County Auditor's Office; Ohio Department of Taxation

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.

TABLE 7 (Continued)

Licking Heights Local School District
Licking County
Real Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Collection Years

Tax Year/ Collection Year	Overlapping Rates						
	Licking County Library	Columbus Metropolitan Library	Licking County	Franklin County	Licking County JVSD	Jefferson Township	Etna Township
2020/2021	1.00	2.80	9.50	19.12	2.55	11.80/14.85	2.5/3.8
2019/2020	1.00	2.80	9.50	19.12	2.55	11.80/14.85	2.5/3.8
2018/2019	1.00	2.80	9.50	18.92	2.55	11.80/14.85	2.5/3.8
2017/2018	1.00	2.80	8.00	18.92	2.57	11.80/14.85	2.5/3.8
2016/2017	1.00	2.80	8.00	18.47	2.57	11.85/14.90	2.5/3.8
2015/2016	1.00	2.80	8.00	18.47	2.58	11.95/15.00	2.5/3.8
2014/2015	1.00	2.80	8.00	18.47	2.54	12.95/13.20	1.0/2.3
2013/2014	1.00	2.80	7.70	18.47	2.56	11.95/12.20	1.0/2.3
2012/2013	1.00	2.80	7.70	18.47	2.54	8.95/9.20	1.0/2.3
2011/2012	1.00	2.80	7.70	18.07	2.52	8.92/9.17	1.0/2.3

TABLE 7 (Continued)

Overlapping Rates								
<u>Jersey Township</u>	<u>Truro Township</u>	<u>St. Albans Township</u>	<u>Pataskala City</u>	<u>Reynoldsburg City</u>	<u>New Albany City</u>	<u>Columbus City</u>	<u>WLJ Fire</u>	<u>Park Districts</u>
4.3/5.9	23.00	15.10	2.90	0.70	1.70	1.43/2.85	11.00	0.25
4.3/5.9	23.00	15.20	2.90	0.70	1.70	1.43/2.85	11.00	0.25
4.3/5.9	23.00	14.20	2.90	0.70	1.70	1.43/2.85	11.00	0.25
4.3/5.9	23.00	14.30	2.90	0.70	1.70	1.43/2.85	11.00	0.25
4.3/5.9	23.00	14.50	2.90	0.70	1.70	1.43/2.85	11.00	0.25
1.3/5.9	20.50	14.50	2.90	0.70	1.70	1.43/2.85	11.00	0.25
1.3/5.9	20.50	10.2/13.5	2.90	0.70	1.70	1.43/2.85	11.00	0.25
1.3/5.9	20.50	10.34/13.64	2.90	0.70	1.70	1.43/2.85	11.00	0.25
1.3/5.9	20.50	9.93/13.23	2.90	0.70	1.70	1.43/2.85	11.50	0.25
1.3/5.9	16.60	9.87/13.17	2.90	0.70	1.70	1.43/2.85	11.50	0.00

TABLE 8

Licking Heights Local School District
Licking County
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
2020	\$34,927,800	\$35,530,229	101.72%	\$494,902	\$36,025,131	103.14%
2019	\$33,970,838	\$32,904,633	96.86%	\$1,362,186	\$34,266,819	100.87%
2018	33,052,882	32,649,642	98.78%	572,600	33,222,242	100.51%
2017	31,007,805	30,426,800	98.13%	(11,068)	30,415,732	98.09%
2016	28,442,804	27,704,173	97.40%	31,817	27,735,989	97.51%
2015	27,286,513	26,597,332	97.47%	496,246	27,093,579	99.29%
2014	26,740,869	26,350,881	98.54%	623,296	26,974,176	100.87%
2013	26,490,252	26,088,458	98.48%	519,808	26,608,266	100.45%
2012	22,570,263	20,459,106	90.65%	545,008	21,004,114	93.06%
2011	22,356,909	20,109,066	89.95%	477,801	20,586,867	92.08%

Source: Licking County Auditor's Office

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) The 2020 information cannot be presented because all collections have not been made by June 30, 2020.

(3) The County does not identify delinquent tax collections by tax year.

TABLE 9

Licking Heights Local School District
Licking County
Principal Taxpayers
Real Estate Tax
2021 and 2012 (1)

Name of Taxpayer	2021	
	Assessed Value	Percent of Real Property Assessed Value
MJB Holdings LLC	\$ 17,348,510	2.33%
Distribution Center 457A LLC	9,835,150	1.32
Village Gate Apt LTD	2,432,510	0.33
AEP Ohio Transmission Company INC	2,381,320	0.32
Columbus Southern Power Company	2,340,630	0.31
Reyno Holdings Co	1,874,490	0.25
Distribution Land Company LLC	1,431,850	0.19
GVS Ohio Holdings I LLC	1,031,520	0.14
Coi New Albany Industry 300 LLC	1,008,490	0.14
Carr Robert A & Deborah B	1,006,260	0.13
Totals	\$ 40,690,730	5.45%
Total Assessed Valuation	\$ 746,068,120	

Name of Taxpayer	2012	
	Assessed Value	Percent of Real Property Assessed Value
Distribution Land Corporation	\$ 8,735,520	1.83%
Columbus Southern Power Co	2,497,130	0.52
Village Gate Apartments LLC	2,021,600	0.42
Reyno Holding Company	1,075,900	0.23
160 Main Street LLC	731,160	0.15
Newcon Inc.	697,940	0.15
161 Properties LLC	618,870	0.13
Piper Equities LLC	616,840	0.13
Double a Investments LTD	602,040	0.13
Ohio steel Fabricators Inc	568,580	0.12
Totals	\$ 18,165,580	3.81%
Total Assessed Valuation	\$ 476,593,710	

(1) The amounts presented represent assessed values upon which 2020 and 2011 collections were based.

Source: Licking County Auditor's Office

TABLE 10

Licking Heights Local School District
Licking County
Principal Taxpayers
Public Utilities Tax
2021 and 2012 (1)

Name of Taxpayer	2021	
	Assessed Value	Percent of Public Utility Assessed Value
AEP Ohio Transmission Co, INC	\$ 33,159,670	45.94%
Ohio Power Company	29,014,360	40.19
Columbia Gas of Ohio	673,590	0.93
National Gas & Oil Corp	664,870	0.92
Licking Rural Electric INC	462,580	0.64
Total	\$ 63,975,070	88.61%
Total Assessed Valuation	\$ 72,200,800	

Name of Taxpayer	2012	
	Assessed Value	Percent of Public Utility Assessed Value
Columbus Southern Power Company	\$ 5,674,360	61.82%
Ohio Power Company	866,460	9.44
National Gas & Oil Corp	531,800	5.79
Columbia Gas of Ohio Inc.	308,800	3.36
Total	\$ 7,381,420	80.42%
Total Assessed Valuation	\$ 9,178,120	

(1) The amounts presented represent the assessed values upon which 2020 and 2011 collections were based.

Source: Licking County Auditor's Office

TABLE 11

Licking Heights Local School District
Licking County
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Certificates of Participation	Tax Anticipation Notes	Capital Leases	Total Debt Outstanding	Ratio of Total Debt to Personal Income	Total Debt Per Capita
2012	60,878,269	10,260,207	-	6,908	71,145,384	11.55	3,190
2013	61,056,639	9,904,715	4,300,000	360,047	75,621,401	11.87	3,332
2014	60,375,762	9,544,223	3,250,000	679,175	73,849,160	11.45	3,203
2015	59,355,636	9,173,731	2,180,000	555,287	71,264,654	9.83	3,010
2016	57,875,239	8,798,238	1,095,000	438,392	68,206,869	9.52	2,736
2017	55,229,749	8,412,746	-	318,225	63,960,720	8.83	2,499
2018	103,401,561	8,020,000	-	194,692	111,616,253	N/A	N/A
2019	99,237,467	8,020,000	-	67,698	107,325,165	N/A	N/A
2020	95,095,289	7,347,360	-	-	102,442,649	N/A	N/A
2021	89,744,348	6,927,208	-	-	96,671,556	N/A	N/A

Source: District Financial Records

NA - Information Not Available

TABLE 12

Licking Heights Local School District
Licking County
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Net General Bonded Debt (1)	Ratio of General Bonded Debt to Estimated Actual Value (2)	General Bonded Debt per Capita	General Bonded Debt per Enrollment
2012	58,919,661	4.14	2,642	17,334
2013	60,270,220	4.17	2,656	17,329
2014	59,153,703	4.07	2,565	16,395
2015	58,057,299	3.81	2,452	15,738
2016	56,579,923	3.62	2,270	14,639
2017	53,489,433	2.97	2,090	12,203
2018	99,500,047	5.25	3,882	23,612
2019	94,961,555	4.65	NA	22,136
2020	90,744,229	3.75	NA	19,120
2021	82,570,805	NA	NA	17,486

Source: Ohio Municipal Advisory Council

(1) Represents General Obligation Bonds Outstanding from Table 11 less Net Position Restricted for Debt Service from Table 1.

(2) Represents Net General Bonded Debt outstanding at fiscal year-end divided by the estimated actual value in effect as of fiscal year-end.

NA - Information Not Available

TABLE 13

Licking Heights Local School District
Licking County
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2021

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt			
Licking Heights Local School District as of June 30, 2021	\$ 96,671,556	100.00%	\$ 96,671,556
Overlapping Debt:			
Payable from Property Taxes:			
Licking County	29,053,188	7.62%	2,213,853
Franklin County	180,820,000	1.10%	1,989,020
Career & Technical Education Centers of Licking County	12,555,000	14.44%	1,812,942
Jefferson Township	188,250	24.51%	46,140
Etna Township	2,000,000	1.04%	20,800
City of Pataskala	16,880,000	54.81%	9,251,928
City of Columbus	1,846,973,461	1.16%	21,424,892
West Licking Fire District	1,685,000	26.03%	438,606
Solid Waste Authority of Central Ohio	72,880,000	1.25%	911,000
Total Overlapping Debt	2,163,034,899		38,109,181
Total Direct and Overlapping Debt	\$2,259,706,455		\$134,780,737

Source: Ohio Municipal Advisory Council, Calendar and Fiscal Year 2020 audit reports.

(1) Percentages were determined by dividing the assessed or actual valuation of the overlapping government located within the boundaries of the District by the total assessed or actual valuation of the overlapping government. The valuations used were for tax year 2020.

TABLE 14

Licking Heights Local School District
Licking County
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2012	2013	2014	2015
Assessed Valuation	<u>\$ 485,771,830</u>	<u>\$ 494,433,980</u>	<u>\$ 502,272,750</u>	<u>\$ 504,247,181</u>
Debt Limit - 9% of Assessed Value (1)	<u>43,719,465</u>	<u>44,499,058</u>	<u>45,204,548</u>	<u>45,382,246</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds	60,878,269	61,056,639	60,375,762	59,355,636
Less Unamortized Premiums and Discounts	(4,586,002)	(4,999,873)	(4,258,034)	(3,516,195)
Less Accumulated Accretion	(3,151,038)	(4,295,557)	(5,118,646)	(5,771,564)
Less Amount Available in Debt Service	<u>(1,958,608)</u>	<u>(786,419)</u>	<u>(1,222,059)</u>	<u>(1,298,337)</u>
Amount of Debt Subject to Limit	<u>51,182,621</u>	<u>50,974,790</u>	<u>49,777,023</u>	<u>48,769,540</u>
Legal Debt Margin	<u>(7,463,156)</u>	<u>(6,475,732)</u>	<u>(4,572,476)</u>	<u>(3,387,294)</u>
Legal Debt Margin as a Percentage of the Debt Limit	-17.07%	-14.55%	-10.12%	-7.46%
Unvoted Debt Limit - .10% of Assessed Value (1)	<u>485,772</u>	<u>494,434</u>	<u>502,273</u>	<u>504,247</u>
Applicable District Debt Outstanding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unvoted Legal Debt Margin	<u>\$ 485,772</u>	<u>\$ 494,434</u>	<u>\$ 502,273</u>	<u>\$ 504,247</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

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

TABLE 14 (Continued)

2016	2017	2018	2019	2020	2021
<u>\$ 523,390,330</u>	<u>\$ 534,598,816</u>	<u>\$615,267,320</u>	<u>\$645,934,740</u>	<u>\$690,774,829</u>	<u>\$818,268,920</u>
<u>47,105,130</u>	<u>48,113,893</u>	<u>55,374,059</u>	<u>58,134,127</u>	<u>62,169,735</u>	<u>73,644,203</u>
57,875,239	55,229,749	103,401,561	99,237,467	95,095,289	89,744,348
(2,774,357)	(1,754,165)	(5,370,913)	(4,758,808)	(4,280,030)	(3,943,391)
(5,937,008)	(5,020,945)	(3,625,090)	(2,888,681)	(907,566)	(3,165)
<u>(1,295,316)</u>	<u>(1,740,316)</u>	<u>(3,901,514)</u>	<u>(4,275,912)</u>	<u>(4,351,060)</u>	<u>(7,173,543)</u>
<u>47,868,558</u>	<u>46,714,323</u>	<u>90,504,044</u>	<u>87,314,066</u>	<u>85,556,633</u>	<u>78,624,249</u>
<u>(763,428)</u>	<u>1,399,570</u>	<u>(35,129,985)</u>	<u>(29,179,939)</u>	<u>(23,386,898)</u>	<u>(4,980,046)</u>
-1.62%	2.91%	-63.44%	-50.19%	-37.62%	-6.76%
<u>523,390</u>	<u>534,599</u>	<u>615,267</u>	<u>645,935</u>	<u>690,775</u>	<u>818,269</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 523,390</u>	<u>\$ 534,599</u>	<u>\$ 615,267</u>	<u>\$ 645,935</u>	<u>\$ 690,775</u>	<u>\$ 818,269</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

TABLE 15

Licking Heights Local School District
Licking County
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	(1) Estimated Population	(2) Total Federal Adjusted Gross Income	(2) Average Federal Adjusted Gross Income	(3) Unemployment Rate
2012	22,301	615,753,141	56,496	6.1%
2013	22,694	637,027,375	56,979	4.3%
2014	23,059	645,161,172	58,694	3.6%
2015	23,679	725,026,114	63,806	3.9%
2016	24,930	716,415,266	61,023	3.8%
2017	25,596	724,125,882	60,188	3.8%
2018	25,628	784,284,659	61,813	3.7
2019	NA	NA	NA	NA
2020	NA	NA	NA	NA
2021	NA	NA	NA	NA

Sources:

(1) US. Bureau of the Census, Ohio Municipal Advisory Council, Years 2011, 2019, and 2020 were not available

(2) Ohio Department of Taxation

(3) September of October Data of Ohio Bureau of Employment Services or Ohio Department of Jobs and Family Services. Specific employment figures for the School District are not available. Unemployment percentages presented are for Franklin County and are not seasonally adjusted.

TABLE 16

Licking Heights Local School District
Licking County
Principal Employers
2020 and 2011

Employer	2020		2011	
	Rank	Percentage of Total Employment	Rank	Percentage of Total Employment
Licking Heights Local School District	1	5.83%	1	2.08%
American Electric Power Service Corp.	2	2.40%	6	0.45%
Southwest Licking Local School District	3	1.85%	2	1.16%
West Licking Joint Fire District	4	1.84%	3	0.96%
The Kroger Co.	5	1.73%	5	0.87%
First Source Employee Management, Inc.	6	1.33%		
City of Pataskala	7	0.99%	9	0.36%
Buckeye Ready Mix	8	0.93%	10	0.33%
Ohio Steele Industries Inc.	9	0.92%		
Licking Memorial Professional	10	0.90%		
Pataskala Oaks Care Center			4	0.93%
Mulch Manufacturing			7	0.41%
Craft Wholesalers			8	0.40%
Total		18.72%		7.95%
Total Withholdings - All Employers		\$ 3,022,627		\$ 1,540,840

Source: Regional Income Tax Agency (RITA) records, City of Pataskala CAFR

Note: Information on principal employers for 2021 was not available.

TABLE 17

Licking Heights Local School District
Licking County
School District Employees by Position Code
Last Seven Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021
Instruction							
Teachers	194.56	208.28	209.50	219.50	219.15	227.00	230.91
Intervention Specialist	35.50	38.50	38.00	38.65	41.00	41.75	47.00
Pupil Support Services							
Counselors	7.00	6.00	5.00	9.00	9.00	10.00	10.00
Librarians	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Library Aides	5.68	4.68	3.68	3.81	4.37	6.88	6.31
Nurse	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Nurse's Aides	2.48	2.48	2.48	3.00	4.64	5.50	3.76
Intervention Aides	-	-	-	-	3.00	2.00	2.00
Administration							
Principals	5.00	5.00	4.00	4.00	4.00	6.00	6.00
Assistant Principals	5.00	5.00	5.00	5.00	7.00	6.00	6.00
District Office Administrators	10.00	10.00	11.00	13.00	13.00	13.00	14.25
Administrative Assistants/Clerical	28.32	28.32	24.57	27.56	23.00	23.50	24.00
Assistant Athletic Director	-	-	-	1.00	1.50	2.00	2.00
Operations							
Custodians	23.13	25.13	21.23	26.00	28.00	28.00	29.00
Maintenance and Grounds	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Technology Support	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Food Service	17.33	16.26	16.31	20.86	23.39	21.10	18.97
Mechanic	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Pupil Transportation							
Bus Drivers/Aides/Dispatcher/Monitors	39.48	41.88	52.14	49.27	60.35	47.65	50.15
Totals	<u>384.48</u>	<u>402.53</u>	<u>402.91</u>	<u>430.65</u>	<u>451.40</u>	<u>449.38</u>	<u>459.35</u>

Source: State Reported EMIS Data

TABLE 18

Licking Heights Local School District
Licking County
Per Pupil Cost
Last Ten Fiscal Years

Fiscal Year	Expenses (1)	Enrollment (2)	Cost Per Pupil	Percentage Change	Teaching Staff (3)	Pupil/Teacher Ratio
2012	27,939,193	3,399	8,220	-0.66%	N/A	N/A
2013	28,262,552	3,478	8,126	-1.14%	N/A	N/A
2014	32,885,669	3,608	9,115	12.17%	N/A	N/A
2015	35,583,485	3,689	9,646	5.83%	230	16.0
2016	37,150,968	3,865	9,612	-0.35%	247	15.7
2017	39,318,758	3,995	9,842	2.39%	248	16.1
2018	38,512,804	4,214	9,139	-7.14%	258	16.3
2019	42,007,296	4,290	9,792	7.14%	260	16.5
2020	40,716,618	4,746	8,579	-12.39%	269	17.7
2021	45,677,171	4,722	9,673	12.75%	278	17.0

Source: School District Records; Ohio Department of Education iLRC - cash basis reporting

NA - Information not available

TABLE 19

Licking Heights Local School District
Licking County
Building Statistics
Last Ten Fiscal Years

	2012	2013	2014	2015
West Elementary School				
Constructed in 2006				
Total Building Square Footage	96,406	96,406	96,406	96,406
Enrollment Grades K-4	570	882	926	916
Student Capacity	822	822	822	822
Capacity % (Over/Under)	69%	107%	113%	111%
South Elementary School				
Constructed in 2006				
Total Building Square Footage	89,795	89,795	89,795	89,795
Enrollment Grades K-4	784	641	606	622
Student Capacity	765	765	765	765
Capacity % (Over/Under)	102%	84%	79%	81%
North Elementary School				
Constructed in 1953				
Total Building Square Footage	52,025	52,025	52,025	52,025
Enrollment Grades 5	422	296	343	306
Student Capacity	443	443	443	443
Capacity % (Over/Under)	95%	67%	77%	69%
Central Intermediate School				
Constructed in 1961				
Total Building Square Footage	99,418	99,418	99,418	99,418
Enrollment Grades 6-8	796	819	852	917
Student Capacity	764	764	764	764
Capacity % (Over/Under)	104%	107%	112%	120%
Middle School				
Constructed in 2002				
Total Building Square Footage	142,406	142,406	142,406	142,406
Enrollment Grades 9-12	827	840	881	928
Student Capacity	946	946	946	946
Capacity % (Over/Under)	87%	89%	93%	98%
High School				
Constructed in 2020				
Total Building Square Footage				
Enrollment Grades 9-12				
Student Capacity				
Capacity % (Over/Under)				

In FY20: West (grades K-4), South (grades K-4), North (grades PreK, 5), Central (grades 6-8), High School (grades 9-12);

TABLE 19 (Continued)

2016	2017	2018	2019	2020	2021
96,406	96,406	96,406	96,406	96,406	96,406
962	800	922	919	1,053	837
822	822	822	822	822	822
117%	97%	112%	112%	128%	102%
89,795	89,795	89,795	89,795	89,795	89,795
625	840	848	888	933	737
765	765	765	765	765	765
82%	110%	111%	116%	122%	96%
52,025	52,025	52,025	52,025	52,025	52,025
321	328	343	357	352	361
443	443	443	443	443	443
72%	74%	77%	81%	79%	81%
99,418	99,418	99,418	99,418	99,418	99,418
934	959	993	977	1,051	773
764	764	764	764	764	764
122%	126%	130%	128%	138%	101%
142,406	142,406	142,406	142,406	142,406	142,406
1,023	1,068	1,108	1,149	1,185	702
946	946	946	946	946	946
108%	113%	117%	121%	125%	74%
					273,501
					1312
					1,500
					87%

TABLE 20

Licking Heights Local School District
Licking County
Capital Asset Statistics
Last Ten Fiscal Years

	2012	2013	2014	2015
Nondepreciable Capital Assets				
Land	\$ 1,821,947	\$ 1,821,947	\$ 3,418,147	\$ 3,418,147
Construction in Progress	5,172,061	-	-	-
Total Nondepreciable Capital Assets	<u>6,994,008</u>	<u>1,821,947</u>	<u>3,418,147</u>	<u>3,418,147</u>
Depreciable Capital Assets				
Land Improvements	482,886	624,433	563,157	630,392
Buildings and Buildings Improvements	51,874,767	56,079,296	54,469,226	53,166,738
Furniture, Fixtures & Equipment	717,511	872,165	503,566	407,518
Vehicles	768,177	937,472	1,194,368	1,158,268
Total Depreciable Capital Assets	<u>53,843,341</u>	<u>58,513,366</u>	<u>56,730,317</u>	<u>55,362,916</u>
Total Capital Assets, Net	<u>\$ 60,837,349</u>	<u>\$ 60,335,313</u>	<u>\$ 60,148,464</u>	<u>\$ 58,781,063</u>

Source: School District Financial Records

Depreciable capital assets are presented net of accumulated depreciation.

TABLE 20 (Continued)

2016	2017	2018	2019	2020	2021
\$ 3,418,147	\$ 3,486,518	\$ 3,833,531	\$ 3,418,055	\$ 3,418,055	\$ 3,418,055
-	-	-	12,146,771	57,099,348	-
<u>3,418,147</u>	<u>3,486,518</u>	<u>3,833,531</u>	<u>15,564,826</u>	<u>60,517,403</u>	<u>3,418,055</u>
548,613	530,824	447,620	453,378	429,127	368,041
51,704,830	50,129,478	48,870,249	47,272,775	45,721,387	107,870,851
415,907	348,389	686,132	1,107,809	926,340	1,029,545
1,560,216	1,476,683	1,789,672	1,847,057	1,928,270	1,715,436
<u>54,229,566</u>	<u>52,485,374</u>	<u>51,793,673</u>	<u>50,681,019</u>	<u>49,005,124</u>	<u>110,983,873</u>
<u>\$ 57,647,713</u>	<u>\$ 55,971,892</u>	<u>\$ 55,627,204</u>	<u>\$ 66,245,845</u>	<u>\$ 109,522,527</u>	<u>\$ 114,401,928</u>



Licking Heights Local School District

6539 Summit Road Pataskala, OH 43062

P: 740-927-6926 | F: 740-927-9043

Licking Heights High School

4401 Summit Road Pataskala, OH 43062

P: 740-964-9005 | F: 740-937-0508

Licking Heights Middle School

4000 Mink Street Pataskala, OH 43062

P: 740-927-9046 | F: 740-927-3197

Central Intermediate School

6565 Summit Road Pataskala, OH 43062

P: 740-927-3365 | F: 740-927-5845

North Elementary

6507 Summit Road Pataskala, OH 43062

P: 740-927-3268 | F: 740-927-5736

South Elementary

6623 Summit Road Pataskala, OH 43062

P: 740-964-1674 | F: 740-964-1625

West Elementary

1490 Climbing Fig Blacklick, OH 43004

P: 614-864-9089 | F: 614-501-4672

Central Preschool

6565 Summit Road Pataskala, OH 43062

P: 740-927-3268 | F: 740-927-5736

**LICKING HEIGHTS
LOCAL SCHOOL DISTRICT**
LICKING COUNTY, OHIO

SINGLE AUDIT

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

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY, OHIO**

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**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
COVID-19 - School Breakfast Program	10.553	COVID-19, 2021	\$ 37,541
National School Lunch Program	10.555	2021	1,181
COVID-19 - National School Lunch Program	10.555	COVID-19, 2021	58,961
National School Lunch Program - Food Donation	10.555	2021	143,910
Total National School Lunch Program			204,052
Summer Food Service Program for Children	10.559	2021	1,423,021
Total Child Nutrition Cluster and U.S. Department of Agriculture			1,664,614
U.S. DEPARTMENT OF THE TREASURY			
<i>Passed Through the Ohio Department of Education</i>			
COVID-19 - Coronavirus Relief Fund - Suburban School Districts	21.019	COVID-19, 2021	250,554
COVID-19 - Coronavirus Relief Fund - BroadbandOhio Connectivity	21.019	COVID-19, 2021	14,920
Total Coronavirus Relief Fund and U.S. Department of the Treasury			265,474
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	2020	26,482
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2021	708,462
Title I Grants to Local Educational Agencies - Expanding Opportunities	84.010	2020	89,219
Title I Grants to Local Educational Agencies - Expanding Opportunities	84.010A	84.010A, 2021	11,793
Total Title I Grants to Local Educational Agencies			835,956
Special Education Cluster (IDEA):			
Special Education Grants to States	84.027	2020	137,238
Special Education Grants to States	84.027A	84.027A, 2021	794,151
Special Education Grants to States - Restoration	84.027	2020	32,222
Total Special Education Grants to States			963,611
Special Education Preschool Grants	84.173	2020	3,228
Special Education Preschool Grants	84.173A	84.173A, 2021	20,181
Total Special Education Preschool Grants			23,409
Total Special Education Cluster (IDEA)			987,020
English Language Acquisition State Grants	84.365	2020	20,513
English Language Acquisition State Grants	84.365A	84.365A, 2021	88,885
English Language Acquisition State Grants - Immigrant	84.365	2020	2,929
English Language Acquisition State Grants - Immigrant	84.365A	84.365A, 2021	5,345
Total English Language Acquisition State Grants			117,672
Supporting Effective Instruction State Grants	84.367	2020	2,787
Supporting Effective Instruction State Grants	84.367A	84.367A, 2021	11,758
Supporting Effective Instruction State Grants - Diversifying the Education Profession	84.367A	84.367A, 2021	4,519
Total Supporting Effective Instruction State Grants			19,064
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	COVID-19, 84.425D, 2021	47,425
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER II) Fund	84.425D	COVID-19, 84.425D, 2021	548,533
Total Education Stabilization Fund			595,958
Total U.S. Department of Education			2,555,670
Total Federal Financial Assistance			\$ 4,485,758

The accompanying notes are an integral part of this schedule.

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY, OHIO**

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

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

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Licking Heights Local School District under programs of the federal government for the fiscal year ended June 30, 2021 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Licking Heights Local School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Licking Heights Local School District. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

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

NOTE 3 - CHILD NUTRITION CLUSTER

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

NOTE 4 – FOOD DONATION PROGRAM

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

NOTE 5 – TITLE I TRANSFERABILITY

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, School District's can transfer unobligated amounts to the subsequent fiscal year or a similar program. During fiscal year 2021, the Licking Heights Local School District, with the Ohio Department of Education's consent, transferred from Supporting Effective Instruction State Grants (ALN 84.367) and Student Support and Academic Enrichment Program (ALN 84.424) to Title I Grants to Local Educational Agencies (ALN 84.010).

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Licking Heights Local School District
Licking County
6539 Summit Road SW
Pataskala, Ohio 43062

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Licking Heights Local School District, Licking County, Ohio, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Licking Heights Local School District's basic financial statements, and have issued our report thereon dated December 6, 2021, wherein we noted as described Note 20 to the financial statements, the Licking Heights Local School District adopted GASBS No. 84, *Fiduciary Activities*. Furthermore, as described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Internal Control over Financial Reporting

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

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

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

Licking Heights Local School District

Licking County

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Page 2

Compliance and Other Matters

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

Purpose of this Report

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

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

Julian & Grube, Inc.

December 6, 2021

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

Licking Heights Local School District
Licking County
6539 Summit Road SW
Pataskala, Ohio 43062

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Licking Heights Local School District's compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Licking Heights Local School District's major federal programs for the fiscal year ended June 30, 2021. The Licking Heights Local School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Licking Heights Local School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Licking Heights Local School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Licking Heights Local School District's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the Licking Heights Local School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Licking Heights Local School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Licking Heights Local School District's internal control over compliance.

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

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

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Licking Heights Local School District, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Licking Heights Local School District's basic financial statements. We issued our report thereon dated December 6, 2021, which contained unmodified opinions on those financial statements. Our opinion also explained that the Licking Heights Local School District adopted *GASBS No. 84* during the fiscal year. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.
December 6, 2021

**LICKING HEIGHTS LOCAL SCHOOL DISTRICT
LICKING COUNTY, OHIO**

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

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Special Education Cluster (IDEA)
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None