PRELIMINARY OFFICIAL STATEMENT DATED JULY 17, 2025

THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED IN IT ARE SUBJECT TO COMPLETION AND AMENDMENT IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Bonds offered hereby, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

NEW ISSUE; BOOK-ENTRY ONLY

Rating:
S&P: SP-1+
See **Rating**

In the opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Notes are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes. Interest on the Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see ***Tax Matters****.*

$27,500,000[*]
AKRON CITY SCHOOL DISTRICT, OHIO
GENERAL OBLIGATION (Unlimited Tax)
SCHOOL IMPROVEMENT NOTES, SERIES 2025

Dated: Closing Date **Due:** August 6, 2026

The Notes. The Notes and the bonds in anticipation of which the Notes are issued (the Bonds) are voted general obligations of the School District, issued to finance permanent improvements as described under **The Notes — Authorization and Purpose**. Principal and interest on the Notes, unless paid from other sources, are to be paid from the proceeds of the School District's levy of ad valorem property taxes, which taxes are without limitation as to amount or rate. See Security and Sources of Payment.

Book-Entry Only. The Notes will be initially issued only as a single fully registered note, issuable under a book-entry system, registered initially in the name of The Depository Trust Company or its nominee (DTC). There will be no distribution of Notes to the ultimate purchasers. The Notes in certificated form as such will not be transferable or exchangeable, except for transfer to another nominee of DTC or as otherwise described in this Official Statement. See **Appendix E**.

Payment. Principal and interest will be payable at maturity to the registered owner (DTC) in Federal Reserve funds of the United States of America, upon presentation and surrender (except as otherwise may be provided) at the designated corporate trust office of The Huntington National Bank without deduction for its services as the School District's Paying Agent. The Notes will bear interest (computed on the basis of a 360-day year consisting of 12 30-day months) at the annual rate shown below, payable at maturity.

Interest Rate: _____%
Price: _______
CUSIP[(a)] No. 010050 ___

Prior Redemption. The Notes are subject to optional redemption by the School District prior to maturity. See **Certain Terms of the Notes – Prior Redemption**.

The Notes are offered when, as and if issued and accepted by Stifel, Nicolaus & Company, Incorporated (the Underwriter), subject to the opinion on certain legal matters relating to their issuance of Roetzel & Andress, A Legal Professional Association, Bond Counsel to the School District. Roetzel & Andress, A Legal Professional Association will also pass upon certain legal matters for the School District as its disclosure counsel. Municipal advisory services are being provided to the School District by Baker Tilly Municipal Advisors, LLC. The Notes are expected to be available for delivery to DTC or its agent on August ___, 2025.

This Official Statement has been prepared by the School District in connection with its original offering for sale of the Notes. The Cover includes certain information for quick reference only. *It is not a summary of the Note issue.* Investors should read the entire Official Statement to obtain information as a basis for making informed investment judgments.

The date of this Official Statement is July __, 2025, and the information herein speaks only as of that date.

[*] Preliminary, subject to change.

AKRON CITY SCHOOL DISTRICT, OHIO

SCHOOL DISTRICT OFFICIALS

Board of Education:	Bruce Alexander, Vice President Diana Autry, BSN, RN Barbara A. Sykes Carla Jackson, M.Ed., President Rene Molenaur, Ph.D. Summer L. Hall Rev. Gregory Harrison
Superintendent:	Mary Outley
CFO/Treasurer:	Dr. Stephen L. Thompson

PROFESSIONAL SERVICE PROVIDERS

Bond Counsel and Disclosure Counsel:	Roetzel & Andress, A Legal Professional Association
Bond Registrar:	The Huntington National Bank
Municipal Advisor:	Baker Tilly Municipal Advisors, LLC
Underwriter:	Stifel, Nicolaus & Company, Incorporated

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REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Notes identified on the Cover (as defined herein). No dealer, broker, sales person or other person has been authorized by the Board of Education of the School District (the Board) to give any information or to make any representation other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the School District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Notes by any person, in any jurisdiction in which it is unlawful to make that offer, solicitation or sale.

The information in this Official Statement is provided by the School District in connection with the original offering of the Notes. Reliance should not be placed on any other information publicly provided, in any format including electronic, by the School District for other purposes, including general information provided to the public or to portions of the public. The information in this Official Statement is subject to change without notice. Information located at websites referred to herein has been prepared by the respective entities responsible for maintaining such websites. The School District takes no responsibility for the continued accuracy of any internet address or the accuracy, completeness, or timeliness of any information posted at any such address. Neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the School District since its date.

This Official Statement contains statements that the School District believes may be "forward-looking statements." Words such as "plan," "estimate," "project," "budget," "anticipate," "expect," "intend," "believe" and similar terms are intended to identify forward-looking statements. The achievement of results or other expectations expressed or implied by such forward-looking statements involves known and unknown risks, uncertainties and other factors that are difficult to predict, may be beyond the School District's control and could cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. The School District undertakes no obligation, and does not plan, to issue any updates or revisions to such forward-looking statements.

UPON ISSUANCE, THE NOTES WILL NOT BE REGISTERED BY THE SCHOOL DISTRICT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY OR AGENCY WILL HAVE AT THE REQUEST OF THE SCHOOL DISTRICT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR DISAPPROVED THE NOTES FOR SALE.

CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2025 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the School District, Bond Counsel, Disclosure Counsel, Municipal Advisor, Underwriter or their agents or counsel, assume responsibility for the accuracy of such numbers and no representation is made as to their correctness on the applicable Notes or the Cover or as indicated herein. The CUSIP number for a specific maturity or interest rate within a maturity is subject to being changed after the issuance of the Notes as a result of various subsequent actions including, but not limited to, a refunding in whole or in part as a result of the procurement of secondary market portfolio insurance and other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Notes.

The Ohio Municipal Advisory Council (OMAC) has requested that this paragraph be included in this Official Statement. Certain information contained in the Official Statement is attributed to OMAC. OMAC compiles information from official and other sources. OMAC believes the information it compiles is accurate and reliable, but OMAC does not independently confirm or verify the information and does not guaranty its accuracy. OMAC has not reviewed this Official Statement to confirm that the information attributed to it is information provided by OMAC or for any other purpose.

In connection with this offering, the Underwriter may overallot or effect transactions that stabilize or maintain the market prices of the Notes at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Notes to certain dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the Cover, which public offering prices may be changed from time to time by the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guaranty the accuracy or completeness of such information.

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TABLE OF CONTENTS

Appendix B-1:	Financial Report (Cash Basis All-Funds Summaries) for Fiscal Year 2023
Appendix B-2:	Financial Report (Cash Basis All-Funds Summary) for Fiscal Year 2024
Appendix C-1:	Basic Financial Statements from the School District's Financial Report for Fiscal Year 2023 (Audited)
Appendix C-2:	Basic Financial Statements from the School District's Financial Report for Fiscal Year 2024 (Audited)
Appendix D:	Proposed Text of Opinion of Bond Counsel
Appendix E:	Book-Entry System; DTC
Appendix F:	Proposed Form of Continuing Disclosure Agreement

INTRODUCTORY STATEMENT

This Official Statement has been prepared by the Board of Education (the Board) of Akron City School District, Ohio (the School District or the District), in connection with its original issuance and sale of the School District's Notes identified on the Cover (the Notes). Certain information concerning the Notes, including their authorization, purpose, terms and security and sources of payment, and the School District is provided in this Official Statement.

This Introductory Statement briefly describes certain information relating to the Notes and supplements certain information on the Cover. It is not intended as a substitute for the more detailed discussions in this Official Statement. Investors should read the entire Official Statement to obtain information as a basis for making informed investment judgments.

All financial and other information in this Official Statement has been provided by the School District from its records, except for information expressly attributed to other sources and except for certain information on the Cover and all information under **Underwriting** and in **Appendices D, E, F** and **G**. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historical information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the School District. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or otherwise be predictive of future experience. See also **Regarding This Official Statement**.

This Official Statement should be considered in its entirety and no one subject should be considered less important than another by reason of location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents. References to provisions of Ohio law, including the Revised Code and the Ohio Constitution, are references to those current provisions. Those provisions may be amended, repealed or supplemented.

As used in this Official Statement:

- **"Beneficial Owner"** means the owner of a book-entry interest in the Notes, as defined in **Appendix E**.
- **"Board"** means the Board of Education of the School District.
- **"County"** means County of Summit, Ohio.
- **"County Fiscal Officer"** means the County Fiscal Officer of the County.
- **"Cover"** means the cover page and the two inside cover pages of this Official Statement.
- **"Debt charges"** means principal and interest payable on the obligations referred to as those payments come due and are payable; debt charges may also be referred to as "debt service."
- **"Fiscal Year"** means the 12-month period ending June 30, and reference to a particular Fiscal Year (such as "Fiscal Year 2025") means the Fiscal Year ending on June 30 in that year.

- **"Fiscal Year 2023 Financial Statements"** means the Basic Financial Statements from the School District's Financial Report for Fiscal Year 2023 (Unaudited) attached as **Appendix C-1**.

- **"Fiscal Year 2024 Financial Statements"** means the Basic Financial Statements from the School District's Financial Report for Fiscal Year 2024 (Unaudited) attached as **Appendix C-2**

- **"Revised Code"** means the Ohio Revised Code.

- **"State"** or **"Ohio"** means the State of Ohio.

- **"Treasurer"** means the Treasurer of the Board.

- **"2021 State Budget Act"** means Amended Substitute House Bill No. 110, passed by the Ohio General Assembly and signed by the Governor on June 30, 2021, providing State appropriations for its 2021-2023 biennium (beginning July 1, 2021, through June 30, 2023) and enacting other statutory provisions.

- **"2023 State Budget Act"** means Amended Substitute House Bill No. 33, passed by the Ohio General Assembly and signed by the Governor on July 3, 2023, providing State appropriations for its 2023-2025 biennium (beginning July 1, 2023, through June 30, 2025) and enacting other statutory provisions.

- "**2025 State Budget Act**" means Amended Substitute House Bill No. 96, passed by the Ohio General Assembly and signed by the Governor on June 30, 2025, providing State appropriations for its 2025-2027 biennium (beginning July 1, 2025, through June 30, 2027) and enacting other statutory provisions.

The Notes are to be issued by the School District. They are authorized by Chapter 133 of the Revised Code, a vote of the electors and legislation adopted by the Board. The Notes are issued to pay costs of the improvements described herein. See **The Notes – Authorization and Purpose**.

The Notes, and the Bonds in anticipation of which they are issued, are voted general obligations of the School District, the full faith and credit and general property taxing power of which are pledged to the payment of debt charges. Unless paid from other sources, debt charges are to be paid from the proceeds of the School District's levy of ad valorem property taxes, which taxes are without limitation as to amount or rate. See **Security and Sources of Payment**.

The Authorizing Legislation (see **Authorization and Purpose**) provides that Notes will be issued in the denomination of $5,000 or in whole multiples of $5,000. The Notes will be initially issued only as a single fully-registered note, issuable under a book-entry system and registered initially in the name of The Depository Trust Company, New York, New York, or its nominee (DTC). See **General; Book-Entry System** and **Appendix E**.

Principal and interest will be payable to the registered owner (DTC) at maturity on presentation and surrender at the designated corporate trust office of the Paying Agent. See **Paying Agent**.

The legal opinion as to the validity of the Notes and the tax-exempt status of the interest on the Notes will be rendered by Roetzel & Andress, A Legal Professional Association (Bond Counsel). See **Legal Matters**, **Tax Matters** and **Appendix D**.

THE NOTES

AUTHORIZATION AND PURPOSE

The Notes are to be issued in anticipation of the issuance of the Bonds pursuant to Chapter 133 of the Revised Code, a vote of the electors of the School District at the election held on November 5, 2024, on the question (approved by a 57.91% affirmative vote) of the issuance of bonds in the principal amount of $85,000,000, and to levy a tax outside of the ten mill limitation imposed by Section 2 of Article XII of the Ohio Constitution to pay the debt charges on those bonds and any anticipatory securities, a resolution adopted by the Board on May 27, 2025, and a Final Terms Certificate provided for by that resolution (collectively, the Authorizing Legislation).

The Notes are being issued for the purpose of constructing, adding to, renovating, remodeling, furnishing, equipping and otherwise improving school district buildings and facilities and clearing, improving and equipping their sites. See **The School System – The Project**.

A portion ($12,500,000) of the principal of the Notes, together with other funds available to the School District for the purpose, will be used to retire the School District's outstanding $15,000,000 School Improvement Bond Anticipation Notes, Series 2024, maturing on September 10, 2025 (the Outstanding Notes), which were issued for the purpose set forth in the paragraph immediately above.

Any premium received by the School District from the sale of the Notes, and not used to pay costs of issuance, or refunding the Outstanding Notes, will be deposited in the Bond Retirement Fund. Money in that Fund is used to pay debt charges on School District debt obligations.

CERTAIN TERMS OF THE NOTES

General; Book-Entry System

The Notes will be dated their date of original issuance, will mature on September 4, 2025, and will bear interest (computed on the basis of a 360-day year and 12 30-day months) at the rate and be payable at the place and in the manner, all as described on the Cover.

The Paying Agent will act as the paying agent for the Notes and will keep all books and records necessary for registration, exchange and transfer of the Notes. See **Paying Agent**.

The Notes will be delivered in book-entry-only form and, when issued, registered in the name of The Depository Trust Company (DTC), New York, New York, or its nominee Cede & Co., which will act as securities depository for the Notes. For discussion of the book-entry system and DTC and the replacement of Notes in the event that the book-entry system is discontinued, see **Appendix E**.

Prior Redemption*

The Notes are subject to optional redemption on or after ___________, 2026, by and at the option of the School District, in whole or in part on any date, in whole multiples of $5,000, at a redemption price of 100% of the principal amount being redeemed, plus interest accrued to the redemption date.

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* Preliminary, subject to change.

SECURITY AND SOURCES OF PAYMENT

The Notes and the Bonds in anticipation of which they are issued will be voted general obligation debt of the School District payable from the sources described, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities.

Basic Security

The basic security for payment of the Notes and the Bonds is the requirement that the Board of Education of the School District levy ad valorem property taxes that are without limitation as to amount or rate to pay debt charges on the Notes. Except to the extent they are paid from other sources, State law requires the School District to levy and collect those property taxes annually to pay (i) debt charges on the Bonds as they become due and (ii) debt charges on the Notes in an amount not less than would have been payable on the Bonds had the Bonds been issued without the prior issuance of the Notes. The State constitution specifically prohibits a subdivision such as the School District from incurring general obligation indebtedness unless the authorizing legislation makes provision "for levying and collecting annually by taxation an amount sufficient to pay" the debt charges on the bonds. (Ohio Constitution Article XII Section 11.)

> The Ohio Supreme Court has stated:
>
> "Section 11 of Article XII of the Constitution of Ohio imposes a mandatory duty upon the State and its political subdivisions to pay the interest and principal of their indebtedness before provisions are to be made for current operating expenses." *State ex rel. Nat'l City Bank v. Bd. of Ed. of the Cleveland City School District*, 52 Ohio St. 2d 81, 85 (1977).

See the further discussions under **Ad Valorem Property Taxes** and **School District Debt and Other Long-Term Obligations**.

Ohio law requires the Board to levy and collect that property tax to pay debt charges on the Notes as they come due, unless and to the extent those debt charges are paid from other sources.

The Authorizing Legislation provides further security by making a pledge of the full faith and credit and the general property taxing power of the School District for the payment of debt charges on the Notes and the Bonds as they come due. Included in that pledge are all funds of the School District, except those specifically limited to another use or prohibited from that use by the Ohio Constitution, or Ohio or federal law. Those exceptions include tax levies voted for specific purposes or expressly pledged to certain obligations. A similar pledge is made in each resolution authorizing voted or unvoted general obligation debt.

The ability of the School District to retire the Notes from the proceeds of the sale of either bonds or renewal notes will be dependent upon the marketability of those obligations under market conditions prevailing at the time of that sale. Under existing laws applicable to the School District, there is no statutory maximum interest rate for the Notes or renewal bond anticipation notes.

Enforcement of Rights and Remedies

In addition to the right of individual bondholders to sue upon their particular Notes, Ohio law authorizes the holders of not less than 10% in principal amount of the outstanding Notes, whether or not then due and payable or reduced to judgment, to bring mandamus or other actions to enforce all contractual or other rights of the bondholders, including the right to require the Board of Education of the School District to levy, collect and apply the voted property taxes and other pledged receipts, if any, to pay debt charges and to perform its duties under law. Those bondholders may, in the case of any default in payment of debt charges, bring action to require the School District to account as if it were the trustee of an express trust for the bondholders or to enjoin any acts that may be unlawful or in violation of bondholder rights. See also **Appendix E**.

The State has pledged to and agreed with holders of securities such as the Notes that

> "…the state will not, by enacting any law or adopting any rule, repeal, revoke, repudiate, limit, alter, stay, suspend, or otherwise reduce, rescind, or impair the power or duty of a subdivision to exercise, perform, carry out, and fulfill its responsibilities or covenants under this chapter [Chapter 133, the State's Uniform Public Securities Law] or legislation or agreements as to its Chapter 133. securities, including a credit enhancement facility, passed or entered into pursuant to this chapter, or repeal, revoke, repudiate, limit, alter, stay, suspend, or otherwise reduce, rescind, or impair the rights and remedies of any such holders fully to enforce such responsibilities, covenants, and agreements or to enforce the pledge and agreement of the State contained in this division, or otherwise exercise any sovereign power materially impairing or materially inconsistent with the provisions of such legislation, covenants, and agreements." (Section 133.25(D) of the Revised Code.)

Bankruptcy

Federal and State laws provide procedures for the adjustment of indebtedness of political subdivisions, such as the School District. Chapter 9 of the U.S. Bankruptcy Code would permit the School District to make such an adjustment if (i) it were "insolvent" (*i.e.,* the School District was not paying its debt charges as they came due or it was unable to pay those debt charges as they became due), (ii) it met certain other criteria (*e.g*., having negotiated in good faith with its creditors and failed to reach agreement or such negotiation was impractical because of time restrictions, the number of creditors or other reasons) and (iii) it were authorized under State law (by legislation or by a governmental officer) to seek relief under Chapter 9. The State's Uniform Public Securities Law provides that the School District or any other subdivision must obtain the approval of the State Tax Commissioner in order to file a bankruptcy petition stating that it is insolvent and "that it desires to effect a plan for the composition or adjustment of its debts and to take such further proceedings" under the Bankruptcy Code. That law also states:

> "No taxing subdivision shall be permitted, in availing itself of such acts of congress [the Bankruptcy Code], to scale down, cut down, or reduce the principal sum of its securities, except that interest thereon may be reduced in whole or in part." (Section 133.36 of the Revised Code.)

The County may also initiate proceedings under the Bankruptcy Code. Because it collects, distributes or otherwise provides revenues to the School District, the School District's financial condition could be affected by such an action.

Refunding

State law authorizes the refunding of all or a portion of the Notes. If the School District places in escrow either money or direct obligations of, or obligations guaranteed as to payment by, the United States, or a combination of both, that with investment income thereon will be sufficient for the payment of debt charges on the refunded Notes, those Notes will no longer be considered to be outstanding. They will also not be considered in determining any direct or indirect limitation on School District indebtedness, and the levy of taxes to pay debt charges on them will not be required. For this purpose, direct obligations of or obligations guaranteed by the United States include rights to receive payments or portions of payments of the principal of or interest or other investment income on (i) those U.S. obligations and (ii) other obligations fully secured as to payment by those U.S. obligations and the interest or other investment income on those obligations.

LITIGATION

To the knowledge of the appropriate School District and Board officials, no litigation or administrative action or proceeding is pending restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Notes, or the levy and collection of taxes to pay the debt charges on the Notes, or contesting or questioning the proceedings and authority under which the Notes have been authorized and are to be issued, sold, signed or delivered, or the validity of the Notes or the issuance of the Bonds in anticipation of which the Notes are issued. The School District will deliver to the Underwriter a certificate to that effect at the time of original delivery of the Notes to the Underwriter.

The School District is a party to various legal proceedings seeking damages or injunctive or other relief and generally incidental to its operations. These proceedings are unrelated to the Bonds or the security for the Bonds, or the permanent improvements being financed. The ultimate disposition of these proceedings is not now determinable, but will not, in the opinion of the appropriate School District officials, have a material adverse effect on the Bonds, the security for the Bonds or those improvements or the School District's operating revenues.

Under current Ohio law, School District money, accounts and investments are not subject to attachment to satisfy tort judgments in State courts against the School District.

See also **The School System — Insurance** for information regarding the School District's liability insurance coverage.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Notes and with regard to certain tax matters (see **Tax Matters**) are subject to the opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel to the School District. The signed legal opinion of Bond Counsel, substantially in the form attached hereto as **Appendix D**, dated and premised on law in effect on the date of issuance of the Notes, will be delivered on the date of issuance of the Notes. The text of the opinion to be delivered may vary from the text as set forth in **Appendix D** if necessary to reflect facts and law on the date of issuance. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to its date.

Roetzel & Andress, A Legal Professional Association, in its capacity as Bond Counsel, has drafted those portions of this Official Statement under the captions **Certain Terms of the Notes** (excluding certain information concerning the book-entry system there and in **Appendix E**), **Security and Sources of Payment** and **Tax Matters**.

Roetzel & Andress, A Legal Professional Association, both in its capacity as Bond Counsel and Disclosure Counsel to the School District, and others, including the Underwriter, have assisted the School District with its preparation of certain other portions of this Official Statement and participated with responsible School District officials and staff in telephone conferences where other statements and information contained in this Official Statement were reviewed for accuracy and completeness. Bond Counsel and those other parties, however, have not been engaged to, and will not, independently confirm or verify such statements or information or any other statements or information provided by the School District or others, and will not be responsible for the accuracy, completeness or fairness of any such statements or information or any other reports, financial information, offering or disclosure documents or other information pertaining to the Notes that may be prepared or made available by the School District or others to potential or actual purchasers of the Notes, to owners of the Notes, including Beneficial Owners, or to others.

The legal opinions and other letters of counsel to be delivered concurrently with the delivery of the Notes express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinions or advice are rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion or letter guarantee the outcome of any legal dispute that may arise out of the transaction.

The Board has also retained the legal services of Roetzel & Andress, A Legal Professional Association from time to time as special counsel in connection with matters that do not relate to School District financings. That law firm also serves and has served as bond counsel for one or more of the political subdivisions that the School District territorially overlaps and has served as counsel to the Underwriter in connection with matters that do not relate to the School District.

TAX MATTERS

In the opinion of Roetzel & Andress, A Legal Professional Association, Bond Counsel, under existing law: (i) interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the Code), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Notes are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes. Bond Counsel expresses no opinion as to any other tax consequences regarding the Notes.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the School District contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Notes are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the School District's certifications and representations or the continuing compliance with the School District's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Notes from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service (IRS) or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the School District may cause loss of such status and result in the interest on the Notes being included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes. The School District has covenanted to take the actions required of it for the interest on the Notes to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Notes, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Notes or the market value of the Notes.

Interest on the Notes may be subject: (1) to a federal branch profits tax imposed on certain foreign corporations doing business in the United States; (2) to a federal tax imposed on excess net passive income of certain S corporations; and (3) to the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Notes. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Notes, are generally subject to IRS Form 1099-INT information reporting requirements. If a Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the School District or the owners of the Notes regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Notes, under current IRS procedures, the IRS will treat the School District as the taxpayer and the beneficial owners of the Notes will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Notes.

Prospective purchasers of the Notes upon their original issuance at prices other than the respective prices indicated on the Cover, and prospective purchasers of the Notes at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Notes. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest or other income on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax that was in effect at that time, and eliminated the tax-exempt advance refunding of tax-exempt bonds and tax-advantaged bonds, among other things. Additionally, investors in the Notes should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Notes for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Notes may be affected and the ability of holders to sell their Notes in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Notes (Discount Notes) may be offered and sold to the public at an original issue discount (OID). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Note. The issue price of a Discount Note is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Notes of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Note over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Note (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Notes, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, sale or other disposition of that Discount Note. A purchaser of a Discount Note in the initial public offering at the issue price (described above) for that Discount Note who holds that Discount Note to maturity will realize no gain or loss upon the retirement of that Discount Note.

Certain of the Notes (Premium Note) may be offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Note, based on the yield to maturity of that Premium Note (or, in the case of a Premium Note callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Note), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Note. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Note, the owner's tax basis in the Premium Note is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Note for an amount equal to or less than the amount paid by the owner for that Premium Note. A purchaser of a Premium Note in the initial public offering who holds that Premium Note to maturity (or, in the case of a callable Premium Note, to its earlier call date that results in the lowest yield on that Premium Note) will realize no gain or loss upon the retirement of that Premium Note.

Owners of Discount and Premium Notes should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount or Premium Notes, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

ELIGIBILITY FOR INVESTMENT AND AS PUBLIC MONEY SECURITY

To the extent that the matter as to the particular investor is governed by Ohio law, and subject to any applicable limitations under other provisions of Ohio law, the Notes are lawful investments for banks, savings and loan associations, credit union share guaranty corporations, trust companies, trustees, fiduciaries, insurance companies (including domestic for life and domestic not for life), trustees or other officers having charge of sinking and bond retirement or other funds of the State and State subdivisions and taxing districts, the Commissioners of the Sinking Fund, the Administrator of Workers' Compensation, and State retirement systems (Teachers, Public Employees, Public School Employees, and Police and Fire), notwithstanding any other provisions of the Revised Code or rules adopted pursuant to those provisions by any State agency with respect to investments by them.

The Notes are acceptable under Ohio law as security for the repayment of the deposit of public money.

Beneficial Owners of the Notes should make their own determination as to such matters as legality of investment in or pledgability of book-entry interests.

MUNICIPAL ADVISOR

The School District has retained Baker Tilly Municipal Advisors, LLC (the Municipal Advisor or BTMA) as municipal advisor in connection with certain aspects of the issuance of the Bonds. BTMA is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. BTMA is a subsidiary of Baker Tilly Advisory Group, LP (BTAG) which is indirectly owned by (a) H&F Waterloo Holdings, L.P., an affiliate of Hellman & Friedman LLC (H&F), an investment adviser registered with the Securities and Exchange Commission (the SEC), (b) Valeas Capital Partners Fund I Waterloo Aggregator LP, an affiliate of Valeas Capital Partners Management LP (Valeas), an investment adviser registered with the SEC, and (c) individuals who are principals of BTAG. None of these parties own a majority interest in BTAG, or indirectly, BTMA. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as

Baker Tilly, operate under an alternative practice structure and are members of the global network of Baker Tilly International, Ltd. Baker Tilly US, LLP (BTUS) is a licensed CPA firm providing assurance services to its clients. BTAG and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

BTMA has been retained by the School District to provide certain municipal advisory services to the School District and, in that capacity, has assisted the School District in reviewing this Official Statement. The information contained in the Official Statement has been compiled from the sources stated or, if not otherwise sourced, from records and other materials provided by the School District. The Municipal Advisor makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in reviewing this Official Statement should not be construed as a representation that it has independently verified such information.

The Municipal Advisor's duties, responsibilities and fees arise solely as Municipal Advisor to the School District, and it has no secondary obligations or other responsibility. The Municipal Advisor's fees are expected to be paid from proceeds of the Bonds. BTMA provides certain specific municipal advisory services to the School District but is neither a placement agent to the School District nor a broker/dealer.

Other Financial Industry Activities and Affiliations

Baker Tilly Wealth Management, LLC (BTWM), an SEC registered investment adviser, and Baker Tilly Capital, LLC (BTC), a broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority (FINRA), are controlled subsidiaries of BTAG. Both H&F and Valeas, are registered with the SEC as investment advisers and serve as managers of, or advisers to, certain private investment funds, some of which indirectly own BTAG.

BTWM and other subsidiaries of BTAG may provide advisory services to the clients of BTMA. BTMA has no other activities or arrangements that are material to its municipal advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

UNDERWRITING

The Notes are being purchased by Stifel, Nicolaus & Company, Incorporated (the Underwriter) at a price of $______________. The aggregate initial offering price of the Notes is $______________; therefore, the gross underwriting spread is $______________. In the Note Purchase Agreement between the Underwriter and the School District, from the purchase price, the Underwriter has agreed to wire funds to the Paying Agent at closing for further distribution by the Paying Agent at closing to pay certain costs of issuance of the Notes ($______________).

The Underwriter has provided the information in this Official Statement pertaining to the Offering Prices and to the offering of the Notes in the seventh paragraph of **Regarding This Official Statement**. As noted in that paragraph, the Underwriter may offer and sell the Notes to certain dealers (including dealers depositing into investment trusts) and others at prices lower than the Offering Prices. The Offering Price may be changed after the initial offering by the Underwriter. The purchase of the Notes by the Underwriter is subject to certain conditions and requires that the Underwriter will purchase all of the Notes, if any are purchased.

The Underwriter and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the School District. The Underwriter and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the School District.

RATING

The Notes have been rated "SP-1+" by S&P Global Ratings. No application for a rating has been made by the School District to any other rating service.

The rating reflects only the views of the rating service, and any explanation of the meaning or significance of the rating may only be obtained from the rating service. The School District furnished to the rating service certain information and materials, some of which may not have been included in this Official Statement, relating to the Notes and the School District. Generally, rating services base their ratings on such information and materials and on their own investigation, studies and assumptions.

There can be no assurance that a rating when assigned will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating service if in its judgment circumstances so warrant. Any lowering or withdrawal of a rating may have an adverse effect on the marketability or market value of the Notes.

The School District expects to furnish the rating service with information and materials that may be requested. The School District, however, assumes no obligation to furnish requested information and materials, and may issue debt for which a rating is not requested. Failure to furnish requested information and materials, or the issuance of debt for which a rating is not requested, may result in the suspension or withdrawal of a rating on the Notes.

TRANSCRIPT AND CLOSING CERTIFICATES

A complete transcript of proceedings and a certificate (described under **Litigation**) relating to litigation will be delivered by the School District when the Notes are delivered by the School District to the Underwriter. The School District at that time will also provide to the Underwriter a certificate, signed by the School District officials who sign this Official Statement and addressed to the Underwriter, relating to the accuracy and completeness of this Official Statement and to its being a "final official statement" in the judgment of the Board for purposes of SEC Rule 15c2-12(b)(3).

CONTINUING DISCLOSURE AGREEMENT

The School District has agreed, for the benefit of the holders and Beneficial Owners from time to time of the Notes, in accordance with SEC Rule 15c2-12 (the Rule), to provide or cause to be provided to the Municipal Securities Rulemaking Board such annual financial information and operating data, audited financial statements and notices of the occurrence of certain events in such manner as may be required for purposes of paragraph (b)(5)(i) of the Rule (the Continuing Disclosure Agreement). See **Appendix F** for the proposed form of the Continuing Disclosure Agreement. The foregoing information, data and notices can be obtained from:

Stephen Thompson
CFO/Treasurer
Board of Education
Akron City School District, Ohio
10 N. Main Street
Akron, OH 44308
Telephone: (330) 761-2850
E-mail: sthompso3@apslearns.org

The performance by the School District of the Continuing Disclosure Agreement will be subject to the annual appropriation by the Board of Education of the School District of any funds that may be necessary to perform it. The Continuing Disclosure Agreement will remain in effect only for such period that the Notes are outstanding in accordance with their terms and the School District remains an obligated person with respect to the Notes within the meaning of the Rule.

The Treasurer is the designated person within the School District charged with ensuring the School District's compliance with the Continuing Disclosure Agreement. The School District expects to engage Disclosure Counsel on an annual basis to assist it in meeting the requirements of the Continuing Disclosure Agreement.

The School District believes that, in the previous five years, it has complied in all material respects with its previous undertaking entered into pursuant to the Rule, except for the School District failed to timely file its annual financial information filing for Fiscal Year 2023 and Fiscal Year 2024 and its audited financial statements for Fiscal Year 2024. The School District has now completed the filing of its annual financial information filing for Fiscal Year 2023 and Fiscal Year 2024 and its audited financial statements for Fiscal Year 2024.

BOND REGISTRAR

The Huntington National Bank will act as note registrar, paying agent, transfer agent and authenticating agent for the Notes (the Paying Agent). The Paying Agent will keep all books and records necessary for registration, exchange and transfer of the Notes, in accordance with the terms of agreements between it and the School District. The Paying Agent is a national banking association. It has designated its Cleveland, Ohio corporate trust office in connection with the Notes.

The Paying Agent acts in a similar capacity in connection with other obligations of the School District.

THE SCHOOL DISTRICT

GENERAL INFORMATION

The School District, one of over 600 city, local and exempted village school districts in the State, provides education to grades K through 12, special education and pre-K students. It is located in Summit County in northeast Ohio. The District's territory encompasses approximately 88% of the City, 1% of City of Fairlawn and a portion (less than 1.0%) of Copley Township in the County.

In the 2020 Census classifications, the School District was placed in the Akron Metropolitan Statistical Area (MSA), comprised of Summit and Portage Counties. The School District was also in the Cleveland-Akron-Elyria Consolidated Statistical Area (CSA).

The School District's 2025 population was estimated by the U.S. Census Bureau to be 179,311. See **Economic and Demographic Information – Population**. Its area is approximately 62.47 square miles. Land use, as measured by the assessed value of real property, is presented in the following table.

	Percent of Assessed Valuation of Real Property
Residential	64.09%
Commercial/Industrial	29.21
Public Utility	6.68
Agricultural	0.02
Undeveloped	(a)

(a) Included in above categories.
Source: County Fiscal Officer.

The District's general area is served by diversified transportation facilities, including one State highway (State Route 8) which also offers access to the Ohio Turnpike (Interstate 80) and Interstate Highways 76 and 77. It is adjacent to areas served by CSX, and is served by passenger air services at Cleveland-Hopkins International Airport and Akron-Canton Regional Airport. Public mass transit for the area is provided by the METRO Regional Transit Authority.

Two daily newspapers and one weekly newspaper serve the District. The District is within the broadcast area of ten television stations and 43 AM and FM radio stations. Multi-channel cable TV service is provided by many different companies.

Unique to the District is a non-commercial educational radio station licensed to the City and owned and operated by the School District. WAPS (91.3 FM) – branded 91.3 The Summit – airs Adult Album Alternative. WAPS has a standard analog transmission to over four HD Radio Channels and is available online.

Within 50 miles of the City are 58 public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. The University of Akron , a part of the State university system, provides the County with a major university center. It is the ninth largest of the 14 State universities with an enrollment of 14,991 students in 2022. It offers degrees up to and including the doctorate level.

Acute healthcare in the School District is primarily provided by Akron City Hospital and St. Thomas Medical Center, which comprise the Summa Hospital System, Akron General Medical Center, and Children's Hospital Medical Center of Akron. The Children's Hospital Medical Center of Akron is listed among the top ten children's hospitals in the United States. One additional acute care hospital, Western Reserve Hospital (formerly known as the Cuyahoga Falls General Hospital and later Summa Western Reserve Hospital), is also within 10 miles of the City: the.

The Akron Metropolitan Park District, a separate political subdivision generally coterminous with the County, operates a park system of over 7,381 acres in the County and nearby

Medina County. Several of its parks are located within the boundary of the Cuyahoga Valley National Park, a national park of nearly 33,000 acres, with approximately 24,000 of those acres located in the County, of which approximately 300 are within the City, which provides a variety of cultural and recreational activities. Blossom Music Center, located in the City of Cuyahoga Falls, is the summer home of the internationally renowned Cleveland Orchestra and hosts a variety of nationally acclaimed performers. The outdoor pavilion seats about 5,700 people and lawn seating is available for an additional 14,000 people. Kent State University's Porthouse Theatre is located on the grounds and offers a wide repertoire of stage plays and musicals.

Also located within the Cuyahoga Valley National Park is Hale Farm and Village, a turn-of-the-century working farm and community, with facilities for downhill and cross-country skiing, canoeing on the Cuyahoga River, and hiking, horseback riding, bicycling and nature trails.

The E.J. Thomas Center for Performing Arts is located on the Akron campus of The University of Akron. It is the home of the Akron Symphony Orchestra and the Ohio Ballet, and hosts a variety of musical, dramatic and cultural events throughout the year.

In 2007, the Akron Art Museum tripled in size with an award-winning addition to better serve the public with unique art exhibits and displays featuring world-renowned artists.

Stan Hywet Hall and Gardens, built in 1910 by F.A. Seiberling, co-founder of the Goodyear Tire and Rubber Company, sits on 70 acres of land in the City and is the 6th largest home in the U.S. that is open to the public. After Mr. Seiberling's death in 1955, the estate became a non-profit historic house and museum. Stan Hywet is open April through December for public tours. It is also the home to Ohio Mart, an annual local artisan showcase and the summer home for the Ohio Shakespeare Festival, a local theater company that performs the works of Shakespeare. The estate also hosts private events, such as bridal showers and weddings.

The John S. Knight Center, a 122,800-square-foot exhibition and conference center located in downtown Akron, opened in June 1994 and provides regional entertainment and exhibition opportunity. This state-of-the-art facility offers 30,000 square feet of exhibit space, 13,000 square feet of banquet space and up to 18 meeting rooms.

BOARD AND ADMINISTRATION

The Board of Education is a body politic and corporate charged with the responsibility of managing and controlling affairs of the School District and is, with the School District, governed by the general laws of the State. The School District is a member of the Ohio School Boards Association. The Board is comprised of seven members elected for overlapping four-calendar-year terms. The present Board members are:

Name	Began Service As Board Member in	Present Term Expires December 31	Vocation in Private Life
Bruce Alexander(a)(b)	2010	2025	Community Probation Officer
Diana Autry, BSN, RN(a)(c)	2020	2025	Registered Nurse
Summer L. Hall(a)	2024	2027	Cultural Engagement Coordinator
Rev. Greg Harrison(a)(e)	2024	2025	Minister
Carla Jackson, Ph.D.(a)(d)	2022	2025	School Administrator
Barbara Sykes	2024	2027	Educator
Rene Molenaur Ph.D.	2023	2027	Educator

(a) Graduate of the School District.
(b) Vice President.
(c) Ms. Autry was appointed to the Board in 2020 to fill the unexpired term of former board member who was elected to Akron City Council.
(d) President.
(e) Mr. Harrison was appointed to the Board in 2024 to fill the unexpired term of a former board member who was appointed as a judicial magistrate.

The Superintendent of Schools, appointed by the Board for a maximum term of five years, is the chief executive officer of the School District and has responsibility for directing and assigning teachers and other employees, assigning pupils to the proper schools and grades, and performing such other duties as determined by the Board. The Ohio Department of Education and Workforce (ODEW), the Buckeye Association of School Administrators (BASA), and the Ohio Revised Code: State law, specifically Chapter 3301 and 3319 are key sources for information regarding the duties of school superintendents. The current Superintendent is Mary B. Outley, serving since April 28, 2025 and whose present term runs through July 31, 2028. Ms. Outley has worked for Akron Public Schools for 34 years. She has served as a teacher, assistant principal, principal, executive director of Elementary Education and executive director of School Leadership, and interim superintendent. Professional memberships include ASAA, The School Superintendents Association, Ohio Alliance of Black School Educators (OABSE), Ohio Association of Elementary School Administrators (OAESA), Ohio School Board Association (OSBA) and National Alliance of Black School Educators (NABSE). Ms. Outley is currently a doctoral student with the Ohio Association of Elementary School Administrators (OAESA) "Standards-Aligned Instructional Leadership (SAIL) for Education" in conjunction with Concordia University Chicago.

The Treasurer, appointed by the Board, is the fiscal officer of the Board and the School District. Dr. Stephen L. Thompson began serving the School District as Chief Operations Officer in August of 2022. On June 15, 2023 Dr. Thompson was approved for employment as the Chief Financial Officer (CFO), and upon the approval of his Ohio Treasurers' License, effective October 10, 2023, as the School District's Treasurer/CFO. Dr. Thompson's employment contract is effective through July 31, 2025. Prior to joining the School District, Dr. Thompson served in the position of superintendent at multiple districts. During the 1990-91 Gulf War Dr. Thompson was deployed to Iraq while serving in the United States Marine Corps. The Treasurer/CFO's professional memberships include the Ohio Association of School Business Officials (OASBA), Ohio School Boards Association (OSBA) and the Buckeye Association of School Administrators (BASA) among others. For a discussion of the duties of the Treasurer as fiscal officer, see **Financial Matters**.

Dr. Stephen L. Thompson has tendered his resignation to the School District effective July 31, 2025. The School District is currently in the process of selecting an interim Treasurer to replace Dr. Thompson.

THE SCHOOL SYSTEM

General Information

As of October 2024, 20,017 students were enrolled in grades K-12 in the School District's 45 schools, making it the seventh largest public school system in the State. For the current academic year, the average class size is 13 students. See The School System – Enrollment and – School District Facilities.

Approximately 55.59% of the members of the School District's teaching staff (1,608) have master's degrees (894), and 1.11% have doctorates (18). The School District's faculty has an average of 17.2 years' teaching experience.

In addition to its classroom facilities, the District operates a variety of educational service facilities, consisting of competition level athletic fields (3) and associated practice locations, administration facilities, a warehouse, transportation, nutrition and maintenance facilities.

In 2003 the Board entered into an agreement with the City titled the Joint Use Agreement that set standards for the use of the new school locations that were be constructed under the State of Ohio Schools Facilities Construction (OSFC) program. The newly constructed buildings would become community learning centers (CLC) and be co-owned by the School District and the City. Between 2003 through 2022, 35 CLCs serving students in grades Pre-K – 12 were constructed as part of the OSFC (now known as the OFCC) program. The Joint Use Agreement allows scheduled use of buildings when school is not in session by the School District, the City and community groups/members. During the period of July 1, 2022 through June 30, 2023 a total of 25,590 events were scheduled across the School District in the CLCs and related facilities.

Classroom teachers at all levels are supported by specialists in reading, guidance, art, music and physical education. All school buildings have full time school health medical services being provided by contracted RN's or Certified Medical Assistants. The School District also provides aides to assist students with special needs and disabilities and speech pathologists to work with students at all levels. The School District's programs include psychological services, pupil appraisal, counseling and guidance services, special education services and speech-language and hearing services. The district supports all students that are designated as English as a Second Language (ESL) learners. These approximately 2,295 students include 186 parochial students and encompasses 47 different languages and dialects spoken by students across the district. The School District's educational program includes these attributes, among others:

- The School District operates a before- and after-school Intervention/Youth Development program that provides supervised academic support and activities to approximately 2,500 students during the 2024-25 School year (1,326 at full service sites, 446 at modified sites and 730 during summer break). The District also participates in a joint effort with the City, Summit County Youth Success Summit and area faith-based organizations focused on youth mentoring, rehabilitation and violence prevention.

- Preschool/Early Learning programs serving students ages 3-4 with 33 preschools classrooms in 16 locations.

- All-Day Kindergarten, including a Free Kindergarten Readiness Program led by SPARK of Ohio.

- Along with a wealth of in classroom experiences, the School District also offers online educational programming through its APS Online School that allows its students to be enrolled in the School District and benefit from all School District resources including extra-curricular activities and school based mentoring access.

- K-12 Fine Arts programming to explore and experience all areas such band dance, orchestra, theatre, visual/vocal/keyboard. Students in grades 9-12 can further pursue the interests in arts-based college majors.

- Science, Technology, Engineering and Mathematics (STEM) programming is offered for students attending middle and high school level, which programming has paved the way for award winning Robotics and eSports teams that have been fostered and supported by the District for its students interested in these new areas of educational interest.

- The School District offers the International Baccalaureate programming which began in 1997 at the high school level and has recently progressed into the middle and elementary school levels.

- School District high school students have the opportunity to take a variety of advanced placement courses which includes the College Credit Plus (CCP) program where students earn college as well as high school credits. 794 CCP student earned 8,185 college credits.

- The Akron Early College High Schools (AECHS) is a national recognized program geared toward students who have not traditionally sought higher education through which students can earn a high school diploma and an associate's degree from The University of Akron.

- The College & Career Academies or Akron (CCAA) programming is in place in all of the School District's 9-12 high schools. The program was launched in 2018 at North High School and has resulted in improvement of its graduation rate from 79.8% in 2018 to 86.1% in 2024.

- For the graduating Class of 2024, 80.4% or 1,010 students earned the Ohio Means Jobs Readiness Seal, signifying demonstrated professional skills, personal strengths, work ethics and experience.

- The School District's Class of 2024 had 53.1% or 667 graduates test to earn a 12-point industry credential, poising them to directly enter the workplace or go on to two-year or four-year colleges. Since 2020, the District has had 1,594 graduates earn Industry Credentials.

- The School District supports student health across the District through its participation in the USDA federal school meals programming offering over 3.8

million meals of various types at no cost to any families which has been in effect since 2003.

- All schools within the School District have school based health clinics, telehealth opportunities and afterschool wellness service hours that allow students to receive a range of needed health opportunities including physicals, vaccinations, and referrals for vision and hearing concerns.

- Local agencies support School District students with over 36,000 hours of essential experiences outside the classroom for elementary level students along with over 32,000 partner engagement hours for CCAA students and 21,000 internship and job showing hours completed by high school level students.

- Interscholastic athletics offered by the School District are consider an extension of the classroom that promote character development, teamwork and leadership. The District's wide ranging athletic opportunities include baseball, basketball, bowling, cheerleading, cross country, football, golf, soccer, softball, swimming, tennis, track, volleyball and wrestling available to any student wanting to participate. School District teams and individual athletes have worked toward a number of championship title wins and earned academic/athletic scholarships to a number of Division I, II and III level colleges/universities.

Akron Public Schools has an established endowment fund for APS student scholarships managed by The Akron Community Foundation, a charitable organization supporting the Akron area. Total assets include $1,141,832.00 as of May 31, 2025. Additionally, Akron Public Schools has a history of strong community support, including the following:

- Support from the Cleveland Browns Foundation for membership in its Stay in the Game initiative to support student attendance and the construction of two (2) high school athletic turf competition fields located at Buchtel and Ellet CLCs with a total value of over $2,000,000.00.

Other supportive grants provided to the district from local entities totaling $2,847,703 for the 2024-2025 school year.

Historically, the State has evaluated and measured the performance of its school districts and their individual schools and annually reported the results to the public. Due to the COVID-19 pandemic (see COVID-19 Pandemic), the State government enacted legislation that, among other things, mandated that, for the 2019-20 and 2020-2021 school years, the Ohio Department of Education & Workforce not (i) publish report card ratings, (ii) assign overall letter grades to school districts and buildings, (iii) assign grades to other measures or (iv) rank school districts. Additionally, the absence of report card ratings for those school years did not enter into determinations of sanctions or penalties or create a new starting point for determinations based on ratings over multiple years.

In 2021, the State government enacted legislation changing the previously used method of evaluating and measuring school district performance and its related reporting to school districts and the public beginning with the 2021-22 school year. Further information relating the State's methodology of evaluating and measuring the performance of its school districts and their individual schools, as well as the results from year to year (including the results of the performance of the School District and its individual schools), may be obtained from the Ohio Department of Education & Workforce.

Employees

The School District has 2,760 full-time and 678 part-time and 891 as-needed (substitute) status employees. A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining in the State of Ohio. APS reported the above FTE to Public Employment Risk Reduction Program (PERRP) during this time period.

In Fiscal Year 2024 the School District paid from its General Fund $220,428,174 in salaries and wages and $91,096,637 for fringe benefits such as employer retirement systems contributions, workers' and unemployment compensation and medical insurance premiums. The District projects paying $220,164,183 in salaries and wages and $89,944,590 for such fringe benefits from its General Operating Funds in Fiscal Year 2025.

Of the current employees, 2,827 are certificated professionals (certified by the State Department of Education) serving as classroom teachers, education specialists and administrators, of whom all have at least a bachelor's degree and 1,020 hold advanced degrees. The current starting salary for a teacher with a bachelor's degree is $46,608.70; the maximum teacher salary (for a teacher with a Ph.D. or Ed.D. degree is $105,075.30 (with longevity payments included). The average current salary of School District teachers is $73,147 compared to a State average of $66,390 (for Fiscal Year 2024).

All of the School District's 2,501 teachers and educational specialists (excluding 210 administrators) are members of the Akron Education Association, Inc. (the "Association") that is a labor organization. The current contract between the Board and the Association expires on June 30, 2025. The Board and the Association are currently in the middle of negotiating a new contract.

Of the School District's classified support staff, 835 are represented by the following six unions:

- Secretarial, fiscal, and duplicating and publications staff are represented by the Akron Association of Classified Personnel/Ohio Education Association (AACP/OEA)
- Paraprofessional staff is represented by the OAPSE Local 689
- Foreman staff is represented by the OAPSE Local 778
- Maintenance, buildings (custodians), grounds, warehouse, mail truck drivers and transportation staff are represented by the SEIU - Local 1 - MOT
- Child Nutrition staff (cafeteria - secondary schools only) is represented by the SEIU- Local 1 – CNS
- Security is represented by the SEIU – Local 1 – Security*

The current negotiated contracts for these unions all expire June 30, 2025.

835 District employees are not represented by any bargaining unit.

* New bargaining unit established 2023.

The School District is self-insured for all health benefits (Prescription, Medical, Dental and Vision) and contracts with a provider/TPA service to provide all claims processing functions and services.

For the dental and vision programs, the benefit is capped (annual maximum allowable each plan year), so no reinsurance policies are necessary. For medical and prescription benefits, the School District has a Specific Stop Loss (includes a Gene Therapy Rider) at a $400,000 individual claim maximum and Aggregate Stop Loss coverage (protects against a catastrophically high year of total claims costs paid by the plan/APS). The Stop Loss/Specific policies are issued for one plan year (calendar year), and the vendor services contracts are typically 2-4 years duration.

The School District provides eligible employees with group term life insurance coverage in the amount of 1.25 times annually salary earnings (maximum benefit payable $500,000). The current vendor for the term life coverage is through Unum.

Several former employees were granted Disability Retirement over twenty years ago from their respective retirement systems. Those employees were subsequently offered a term life insurance policy 100% paid by the School District. In 2018-2019, the Board passed a resolution authorizing it to offer to "buy out" (at a reduced benefit amount) and discontinue the policies through the current GTL insurance provider. The buyout amount and the benefit value amount has been decreased by the Board several times and is currently self-insured. Therefore, if one of these former employees were to die and the School District is made aware, the claim is processed and the School District pays the beneficiary directly. The Board resolution allows the School District to discontinue this program at the Board's discretion. Currently there are 46 individuals enrolled, with a maximum risk of $332,500.

Retirement Expenses

Present and retired employees of the School District are covered under two statewide public employee retirement (including disability retirement) systems. The State Teachers Retirement System (STRS) covers all teachers, principals, supervisors and administrators who are required to hold a certificate issued by the State Department of Education. Other eligible full-time employees are covered by the School Employees Retirement System (SERS).

STRS and SERS are two of five statewide public employee retirement systems created by and operating pursuant to Ohio law, all of which currently have unfunded actuarial accrued liabilities. The General Assembly has the power to amend the format of those systems and to revise rates and methods of contributions to be made by public employers and their employees and eligibility criteria, benefits or benefit levels for employee members. On September 12, 2012, the General Assembly passed five separate pension reform bills intended to assist each of the five retirement systems in addressing its unfunded actuarial accrued liabilities. Those bills applicable to STRS and SERS became effective on January 7, 2013.

The law applicable to STRS has provided for (a) no change in the School District's contribution rate with respect to its employees' earnable salaries and (b) increases in the STRS employees' contribution rate from 10% to 14% in annual increments of 1% that became effective in July in each of the years from 2013 through 2016. Among other changes and with certain transition provisions for current employees, the minimum age and service requirements for eligibility for retirement and disability benefits have been increased, the calculation of an employee's final average salary on which pension benefits are based has been revised to include the five highest years (rather than the three highest years), STRS pension benefits are being calculated on a lower, fixed formula and provisions with respect to future annual cost-of-living adjustments have been changed to reduce those adjustments to 2% (from 3%). The STRS board has also been provided with authority to make future adjustments to the member contribution rate, retirement age and service requirements, and cost-of-living adjustments as the need or opportunity arises, and depending on the funding progress. Under current law, STRS has a maximum 30-year period to amortize its unfunded accrued pension liability. According to STRS's most recent Actuarial Valuation and Review (dated as of July 1, 2024), STRS's actuarial consultant projected that the period required to fully amortize STRS's actuarial unfunded accrued liability is 10.1 years.

The law applicable to SERS that has provided for no change to the School District's or SERS employees' contribution rates, future cost-of-living adjustments or the calculation of an employee's final average salary on which pension benefits (the average of the three highest years). However, among other changes and with certain transition provisions for current employees, the minimum age and service requirements for eligibility for retirement and disability benefits was increased and provisions for disability benefits and service credit purchases were revised.

The positions of Superintendent, Treasurer, Chief Academic Officer (Assistant Superintendent) receive a pension "pick up" in which the School District pays for both the employee and the employer portion of mandatory pension deferrals for the following staff:.

In Fiscal Year 2024, employees covered by STRS are contributing at a statutory rate of 14% of earnable compensation, and employees covered by SERS have contributed and continue to contribute at a statutory rate of 10% of earnable compensation. As the employer, the School District's statutory contribution rate for all of those employees has been and continues to be 14% of the same base. These employee and employer contribution rates are the maximums permitted under current State law.

As of Fiscal Year 2022, the School District had the net pension liability reported and explained in the Notes to the Fiscal Year 2022 Financial Statements.

For further information on STRS and SERS and their pension plans, see the Notes to the Fiscal Year 2022 Financial Statements. Financial and other information for STRS and SERS can also be found on the respective website for each retirement system including its Comprehensive Annual Financial Report.

Federal law requires School District employees hired after March 31, 1986 to participate in the federal Medicare program, which requires matching employer and employee contributions, each being 1.45% of the wage base. Otherwise, District employees who are covered by a State retirement system are not currently covered under the federal Social Security Act. STRS and SERS are not subject to the funding and vesting requirements of the federal Employee Retirement Income Security Act of 1974.

School District Facilities; Insurance

The School District's current classroom facilities include: 27 schools for grades K through 5, four traditional middle schools for grades 6-8, two schools for grades 6-12, four traditional high schools for grade 9-12, and nine education/specialty centers. The School District's other facilities include an administration building (2001), a food service building (1965), a maintenance building (1916), a purchasing/warehouse building (1965) and a transportation building (1965).

The current appraisal values for replacement (building, fixtures and contents) of all School District property is $1,385,886,707. School District property is exempt from ad valorem taxation.

In 2003 the Board entered into an agreement with the City titled the Joint Use Agreement that set standards for the use of the new school locations that were to be constructed under the State of Ohio Schools Facilities Construction (OSFC) program. The newly constructed buildings would become community learning centers (CLC) and be co-owned by the School District and the City. Between 2003 through 2022, 35 CLCs serving students in grades Pre-K – 12 were constructed as part of the OSFC (now known as the OFCC) program. The Joint Use Agreement allows scheduled use of buildings when school is not in session by the School District, the City and community groups/members. During the period of July 1, 2022 through June 30, 2025 a total of 26,745 events were scheduled across the School District in the CLCs and related facilities.

The Board is now working on its next Long Term Operational Plan (LTOP) to determine the next steps to address future planning based on demographic studies of student population, review of current assets that were not included in the OFCC program, and educational needs of its students/community members.

As a follow up to the recently completed OFCC program discussed above the School District has launched a Long-Term Operational Plan (LTOP) to develop a comprehensive facilities utilization plan. This plan is to ensure the cost-effective use of facilities consistent with its educational programs. The plan will include an annual review process that includes community input in evaluating and updating the plan. Recommendations for programmatic changes, student reassignments, and building reuse or closings are all considered in the context of the plan and are guided by the plan during the review process.

The following is a summary of recent repair and renovation expenditures made from the General Fund.

Fiscal Year	**2020**	**2021**	**2022**	**2023**	**2024(a)**	**2025(a)**
Noncapital (including Asbestos)	$1,273,881	$1,153,505	$1,172,976	$1,305,388	$1,177,305	$1,388,856
Capital*	4,615,740	4,233,176	4,922,350	7,172,802	6,119,129	11,952,224
TOTAL	$5,889,621	$5,386,681	$6,095,326	$8,478,190	$7,296,434	$13,341,080

* - Capital expenditures include categories of the following: Professional & Technical, Maintenance Supply, Building Services, Maintenance Equipment and Property Services. Each listed fiscal year can be broken down into each of these categories.

(a) Budgeted.

The Project

Proceeds of the Bonds will be limited to constructing, furnishing, and equipping a new high school to replace the School District's existing North High School, with related site improvements and appurtenances thereto; acquiring, constructing, furnishing, and equipping new facilities for school district purposes, with related site improvements and appurtenances thereto; and acquiring land, and interests in land relating thereto (the Project). The existing North High School will remain in operation and use until completion of the new Project.

Insurance

Property (buildings and contents), boiler and machinery insurance, and casualty and fleet insurance, are provided through McGowan Governmental Underwriters. Blanket limit for the property insurance is $1,385,886,807.00 and for the boiler and machinery insurance is $1,385,886,707.00, both with $100,000.00 deductibles. Additional earthquake coverage with a $5,000,000.00 limit and a $100,000.00 deductible. For the casualty and fleet insurance there is a combined single limit of $1,000,000.00 per occurrence /$3,000,000.00 aggregate comprehensive and $10,000.00 collision deductible. The next renewal date is July 1, 2025.

The School District also maintains liability insurance coverages with varying deductibles. The School District carries public official and employee liability insurance coverage with a $1,000,000.00 occurrence/$3,000,000.00 aggregate limit of liability with $25,000.00 deductible for each loss. Additionally, the School District maintains a variety of liability insurance coverages, including educator legal, law enforcement, cyber liability, foreign and student accident liability insurance coverage, with varying deductibles. The renewal date is July 1, 2025.

Enrollment

The following table shows historical and projected enrollment in the School District's schools.

	Enrollment(a)	
School Year	**Total**	**1st Grade**
1980-81	37,259	3,033
1990-91	33,213	2,772
2000-01	30,649	2,812
2010-11	23,142	1,895
2014-15	21,529	1,714
2015-16	21,257	1,730
2016-17	21,397	1,620
2017-18	21,367	1,654
2018-19	21,295	1,640
2019-20	21,290	1,665
2020-21	20,546	1,682
2021-22	20,946	1,417
2022-23	20,529	1,723
2023-24	19,985	1,494
2024-25(b)	20,017	1,537

(a) Actual figures are ADM (average daily membership) figures from an "at date enrollment" during annual October enrollment census.
(b) Projected, based on District forecast.

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Certain additional School District student statistics are as follows:

School Year	Per Pupil Expenditure(a)(b) School District	Per Pupil Expenditure(a)(b) State Average	Assessed Valuation Per Pupil(c) School District	Assessed Valuation Per Pupil(c) State Average
2016-17	$10,028	$ 9,150	$ 86,478	$148,597
2017-18	10,072	9,356	88,334	155,136
2018-19	10,366	9,721	90,201	162,432
2019-20	10,652	9,883	95,565	169,137
2020-21	11,086	10,334	108,683	184,467
2021-22	12,549	11,306	N/A(d)	N/A(d)
2022-23	13,986	11,896	106,521	200,675
2023-24	15,023	12,397	131,731	233,914

(a) General Fund and other operating funds.
(b) As reported, iLRC (Download Center) – Ohio Department of Education.
(c) As reported, Tax Data Series – Ohio Department of Taxation.
(d) State reporting did not include Assessed Valuation Per Pupil for School Year 2021-22.

Open Enrollment

For Fiscal Year 2020, approximately 667* (FTE) non-resident students enrolled into the District under open-enrollment policies, while approximately 1,993* (FTE) residents left the District for other school districts under such policies, resulting in a net decrease in State Education Aid in the amount of $7,882,794 to the District, and for Fiscal Year 2021, approximately 674* (FTE) non-residents students enrolled in the District under open-enrollment policies, while approximately 1,966* (FTE) residents left the District for other school districts under such policies, resulting in a net decrease in State Education Aid in the amount of $6,928,967, noting that fewer students were accepted by the District in this School Year for "social distancing" reasons. Commencing with Fiscal Year 2022, changes to the State school funding formula provide that the State will fund students in open enrollment programs directly at their educating entity, resulting in a lack of related information, including diverted funding, being readily available to the School District. For Fiscal Year 2024, the District received approximately 419 (FTE) open-enrollment students into the District, and estimates, based on information that is available to the District, that 1,590* (FTE) students left the District. See **State School Funding System**.

Charter Schools; Tuition Vouchers

In recent years, community or "charter" schools have drawn approximately 3,264 (on an FTE basis) students per year from within the School District. For Fiscal Year 2024, State Education Aid amounts totaling $28,240,781 that would otherwise flow to the School District were diverted to the community schools.

The State has implemented several programs under which certain students may receive tuition vouchers to attend nonpublic schools. Under the EdChoice Scholarship Program, certain students who would otherwise attend underperforming schools or whose families meet certain low-income guidelines may receive vouchers for tuition at nonpublic schools. Additionally, under the Jon Peterson Special Needs Scholarship Program, students with an individualized Education Program (IEP) from their school district of residence may receive vouchers to pay for tuition at nonpublic

* Figures from Foundation Legacy Report.

schools and for additional services from private service providers. And, under the Autism Scholarship Program, students identified as children with autism by, and who have an IEP from, their school districts of residence may receive vouchers to attend a special education program other than the one operated by the school districts of residence. For Fiscal Year 2024, 3,141 (FTE) School District residents in the School District elected to participate in the EdChoice Scholarship Program, 156 (FTE) School District residents participated in the Autism Scholarship Program, and 205 (FTE) School District residents participated in the Jon Peterson scholarship, collectively resulting in $28,483,586 diverted from School District funds.

Historically, funding for charter school students and for students in the EdChoice Scholarship, Jon Peterson, and Autism Scholarship Programs was received by the school district of the student's residence and then diverted to the educating institution. As a result of the recent State Budget Act (see **State School Funding System**), commencing with Fiscal Year 2022, these State funds are being provided directly to the educating institution, resulting in a lack of related information, including diverted funding, being readily available to the School District. Based on information that is available to the District, the District estimates that, for Fiscal Year 2023, 41 students participated in the Jon Peterson scholarship and 22 students participated in the Autism Scholarship Program.

Transportation

The School District provides transportation for students residing in the School District to both public schools (includes: public charter schools, community and STEM designated schools) and nonpublic schools (includes: private and parochial schools) as shown below for the 2023-24 school year. A portion of the cost of transporting eligible school students for all schools is reimbursed by the State under a per student or a per mile formula.

Type of School	Number Transported
Public	5,573
Nonpublic	636
Disabled Education	1,120

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population

Recent Census population has been:

Year	District(a)	City	County	MSA
1970	275,300	275,425	553,371	679,239
1980	235,440	237,177	524,472	660,328
1990	208,810	223,019	514,990	657,575
2000	208,604	217,074	542,899	694,960
2010	190,069	199,110	541,781	703,200
2020	187,833	197,375	540,428	702,219
2023(est.)	179,501	188,692	535,733	698,398

(a) Sources: OMAC and the U.S. Census Bureau.

2023 Census figures show the following breakdown by age groups of the population of the School District.

Under 19	20-24	25-34	35-44	45-54	55-59	60+	Total
43,944	14,279	26,207	22,393	21,682	11,689	39,117	179,311

Educational attainment for the School District's, the City's, the County's and the MSA's population (25 years or older) is set forth in the following table.

	School District		City		County		MSA	
Less than 9th Grade	5,209	4.0%	5,209	4.0%	9,085	2.4%	11,039	2.3%
9th to 12th Grade (no diploma)	9,328	7.2	9,328	7.2	18,126	4.7	23,769	4.9
High School graduate (includes GED)	42,849	33.7	42,849	33.7	111,631	29.2	150,094	30.6
Some college, no degree	30,629	23.7	30,629	23.7	77,177	20.2	96,277	19.6
Associate degree	10,792	8.4	10,792	8.4	31,640	8.3	40,078	8.2
Bachelor degree	19,644	15.3	19,644	15.3	85,408	22.3	105,592	21.6
Graduate or professional degree	10,354	8.0	10,354	8.0	49,612	13.0	63,299	12.9

Source: U.S. Census Bureau Selected Source Characteristics in the United States 2019-2023.

INDUSTRIAL, COMMERCIAL AND OTHER ECONOMIC ACTIVITY

The County is located within an eight-hour drive of half the U.S. population, over half the U.S. buying power and manufacturing activity, and almost two-thirds of the Canadian economy. Several major interstate highways run through the County, connecting it easily to most major U.S. metropolitan markets. Rail access throughout the County and proximity to the Port of Cleveland allow for easy distribution of materials and products. The County is also served by both Cleveland Hopkins International Airport and the Akron Canton Airport.

The County boasts more than 420 trucking firms and distribution centers. Easy access to I-77, I-76, I-271, I-277, I-480 and the Ohio Turnpike make the County the ideal place for logistics companies and distribution centers. Major companies such as FedEx, FedEx Custom Critical, JRayl, and Schneider have located in and near Summit County. Amazon, JOANN Fabrics, Best Buy, O'Reilly Auto Parts, Signet Jewelers and Summit Racing have significant distribution operations in the County.

The County is currently home to a diversified economic base. Industries that have been significant contributors to the growing economic diversity of the County include the fields of polymers and advanced materials, advanced manufacturing, health care and biomedicine, logistics and distribution and technology, financial and professional services. The County is the home to a number of strong regional, national and international companies.

In 2022, over 30 major publicly traded, privately held or subsidiary companies were headquartered in the County, including two that were ranked among the 500 largest publicly traded industrial and non-industrial corporations in the United States by Fortune magazine in 2022. Each of these companies had annual revenues of more than $1 billion. Those companies are as follows:

2024 Rank	Company	Location	Revenue (millions)	Nature of Business
204	Goodyear Tire & Rubber Co.	Akron	$20,066	Rubber products
331	FirstEnergy Corp.	Akron	12,450	Electric Utility

Source: Fortune 500 Directory of largest U.S. Corporations, Ohio, 2024.

The City is located in the County, approximately 35 miles south of Cleveland. The City is home to world-renowned medical facilities, a minor league baseball team, the Akron Civic Theatre, Lock 3, Stan Hywet Hall and Gardens, the Towpath Trail and numerous parks. The city is rich in educational and medical facilities, including the University of Akron, Stark State College of Technology-Akron Campus, the Cleveland Clinic Akron General, Akron Children's Hospital, and Summa Akron City Hospital.

In 2019, the City of Akron created the Office of Integrated Development ("OID"). The OID is a reimagining and restructuring of several City departments to remove silos and deliver the highest quality of service to Akron's residents, workers business owners and visitors. The OID brings together the departments of Planning and Urban Development, Economic Development, Downtown Operations, Recreation and elements of the Engineering Bureau. The OID frames its work around five key goals: to make Akron a destination for all, to transform economic opportunity, to advance strategic place-making and place-keeping policies, plans and practices to enhance the design and livability of Akron's neighborhoods, to advance learning and creativity, and to create a more equitable Akron. Through the assistance of the OID, the City, in 2023, attracted investments of over $200 million and created over 400 new jobs.

Highlights of Key Industries

Polymer and Rubber Research and Development

Historically, the local economy has been associated with the rubber and plastics industry. Although the rubber industry's contributions to the economy remain substantial, the focus of that industry in the region has changed from manufacturing to polymer and rubber research and development.

There are over 1,200 polymer and materials companies in Northeast Ohio, with Summit County sitting at its core. Within the next ten years, there will be a projected growth of $26.8 billion in the polymer industry. Representing $4 Billion in output and $10 Billion in Gross Regional Product, the polymer and materials industry in the region is taking advantage of emerging opportunities in electric vehicles, renewables, the circular economy and robotics. More than 41,000 people are employed by polymer-related companies in the region, averaging $55,000 in annual wages. To provide a deeper examination of the polymer industry, the Polymer Industry Cluster, a collaboration of private and public partners, was formed. The goal of this work is to elevate Northeast Ohio's polymer industry into a dynamic enterprise that is better positioned for strong, sustainable growth in the global economy.

In October 2023, the Greater Akron region was designated as a Regional Technology and Innovation Hub (Tech Hub) through the U.S. Department of Commerce's Economic Development Administration (EDA). The Sustainable Polymer Tech Hub, a consortium led by the Greater Akron Chamber, will tackle severe climate and environmental impacts caused using fossil fuel-derived polymers through accelerating sustainable polymer manufacturing. In July 2024, The Sustainable Polymer Tech Hub was awarded $51MM in grant funding by the Economic Development Administration. This $51 million federal investment will focus on key projects such as commercializing recycling end-of-life tires, development of sustainable polymer composites via liquid phase mixing, manufacturing of sustainable bio-based butadiene to produce green, synthetic rubber, and advancing the formulation of carbon nanotube-based polymer composites. This award has already attracted new companies to the Greater Akron region; Huntsman Corporation in Texas and California-based BioVerde will both establish operations in Greater Akron to engage in the Sustainable Polymer Tech Hub.

The University of Akron's College of Polymer Science and Polymer Engineering, the nation's first, and largest, academic polymer science and polymer engineering program, is at the heart of the area's polymer research activity. In 20223, the University's program was recognized as the best polymer science and plastics engineering program in the United States and the third-best polymer science and plastics engineering program in the world by EduRank. A 146,000 square-foot Goodyear Polymer Center incorporates 8 large polymer synthesis groups with specialized labs for all categories of synthesis. It also contains supercomputer simulation and modeling capabilities, molecular and morphological characterization labs, surface analysis facilities, a microscopy suite, a clean room, and thermal analysis and mechanical properties testing equipment. The 32,000 square-foot Polymer Engineering Academic Center is an office and teaching facility, incorporating the Akron Global Polymer Academy's (AGPA) headquarters. The center is connected to the Sidney L. Olson Research Center, a 70,000 square-foot facility that includes advanced laboratories for coatings, compounding, blending, extrusion, film blowing, blow molding, biaxial stretching, filament winding, and fiber spinning as well as specialized processing equipment. Morphological and thermal characterization labs along with mechanical testing and excimer laser facilities are included. The University of Akron is also home to the first Corrosion Engineering program in the United States, which relies heavily on its polymer science expertise to develop corrosion solutions.

The Goodyear Tire & Rubber Company's ("Goodyear") Global and North American Headquarters, Goodyear's Innovation Center, and the Technical Center of Bridgestone Americas Tire Operations, LLC ("Bridgestone") are located in the County. While neither company manufactures commercial tires in the County any longer, each is critical to polymer research and development and supports hundreds of suppliers in the region. Additionally, these companies, and the suppliers they support, are responsible for employing thousands of individuals in the County and Northeast Ohio.

Goodyear's Global and North American Headquarters have been located in Akron for more than 100 years. In 2013, Goodyear opened a new $160 million Global and North American Headquarters. In addition to the new headquarters, $30 million in renovations were made to Goodyear's Innovation Center and a $40 million parking deck was constructed to serve the Goodyear campus. Additionally, both public and private improvements have been made to the surrounding neighborhood, including the conversion of the former Goodyear facilities into commercial, retail, and residential space. The County contributed $10.2 million to the construction of Goodyear's new Global and North American Headquarters and $4.8 million to the renovation of the Innovation Center. The City, State, and Development Finance Authority also provided financial assistance to Goodyear for the project. In exchange for the assistance provided by the County, the City, and the State, Goodyear agreed to retain 2,900 jobs (including contracted parties) in the County.

Bridgestone opened a new state-of-the-art $100 million Technical Center in the City in 2012. The County contributed $7.3 million to the project, which funded the construction of a public parking deck and a portion of the skywalk between the deck and the new Technical Center. The City contributed $3.1 million to the construction costs of the project and an additional $10 million for the redevelopment of the surrounding neighborhood. In exchange for the assistance provided by the County, the City, the State, and the Development Finance Authority, Bridgestone agreed to retain 1,000 employees (including contracted parties) in the County for at least 20 years. This commitment ensures that Bridgestone and its suppliers will remain critical components of the County's economy. It also ensures that a significant amount of advanced polymer research will continue to be performed in the County.

In 2022, Bridgestone completed and opened its new race tire manufacturing facility in the City near its Technical Center. The facility replaces an existing race tire unit in the original Firestone Plant One building, also located in the City. This new facility marks the first major investment in tire manufacturing within the County and the City in several decades and highlights a deepened commitment to the region from Bridgestone.

The retention and growth of these Goodyear and Bridgestone facilities provide an anchor for the sustainability of the polymer industry in the County and the ongoing economic vitality of the County. However, the County is rich in several other polymer-related firms.

Medical Industry and Biomedical Innovation

The County, the City, and private partners have focused substantial economic development efforts on expanding the historically strong medical industry in the County by promoting biomedical research and innovation. Five acute care hospitals are located in the County: Akron City Hospital, Western Reserve Hospital, and Summa Barberton Citizens Hospital, which are all a part of the Summa Health system ("Summa"), Cleveland Clinic Akron General ("CCAG"), and Children's Hospital Medical Center of Akron ("Akron Children's"). Additionally, the three hospital systems operate several acute care, family health care, urgent care, and emergency care satellite operations throughout the County and Northeast Ohio.

Summa, a nonprofit system, is one of the largest healthcare delivery systems in the State. Summa has 1,023 beds, approximately 1,000 credentialed physicians at its facilities in the region, which total more than 3 million square feet, and employs around 8,400 employees, nurses, and health care professionals. Encompassing a network of hospitals, community health centers, a health insurance plan with more than 60,000 members, research operations, and a foundation, Summa has more than $1B in annual net patient revenue. In 2024, Summa's Akron and Barberton campuses were awarded Healthgrades 2024 America's 50 Best Hospitals Award.

The second largest hospital system in the County, Cleveland Clinic Akron General, was acquired by the Cleveland Clinic at the end of 2015. CCAG is a nonprofit system, which has grown to a 532-registered-bed, adult, tertiary care, not-for-profit, teaching hospital. Today it is staffed with nearly 5,700 employees, including over 1,150 physicians, and is also supported by more than 550 volunteers.

CCAG has placed a major emphasis on developing wellness programs for the population in the region. It has three state-of-the-art Health and Wellness Centers in the Cities of Stow and Green and Bath Township in the County. The facilities offer 24-hour emergency department services, sports medicine and physical therapy, diagnostic services, and extensive community wellness services. These facilities complement the main hospital campus and three other CCAG facilities in the County.

Akron Children's Hospital, a nonprofit system, is one of the largest free-standing pediatric care centers in the U.S. and is ranked among the best children's hospitals by U.S. News and World Report. Akron Children's houses a regional burn center for adults and children and a pediatric trauma center. It also offers more than 100 advocacy, education, outreach, and research programs and is a seven-time recipient of the NorthCoast 99 “Best Workplaces” award. The Burn Institute is certified by the American Burn Associations and the Committee on Trauma of the American College of Surgeons, which recognizes individual and institutional commitment to total burn care and a formal system for quality burn care delivery.

Akron Children’s currently employs 7,000 employees and operates a 401-bed pediatric hospital in the County. Akron Children’s recently completed a $180 million “building on the Promise” expansion project that includes a new critical care tower, new emergency department, new neonatal intensive care unit, 1,200-space parking deck, and several other facilities and improvements. Akron Children’s also completed a 230,000-square-foot addition to the Considine Professional Building. The new addition brings together all the outpatient clinics on the Akron campus and includes an auditorium and meeting spaces. Akron Children’s Hospital’s Ronald McDonald House opened a 48,000 square-foot expansion in the first quarter of 2018. The $12.5 million expansion added 42 new guest rooms, larger family and volunteer kitchen areas, playrooms, a backyard, and larger living spaces for families. Funding was made possible through an Akron Children’s campaign, donations, and new market tax credits. Akron Children’s completed the construction of a 43,000 square-foot building in the Village of Boston Heights in late 2019 that has a pediatric center, an urgent care center, primary and specialty care offices, and a rehabilitation facility. In 2020, they opened the Portage Health Center and by expanding their affiliation with Mercy Health they brought new primary care offices in Lorain County and East Liverpool. Former Mercy Health locations in those areas are now Akron Children’s Hospital Pediatrics locations.

Summa, Cleveland Clinic Akron General, and Akron Children’s also form a part of the network of teaching hospitals providing medical residency programs affiliated with the Northeast Ohio Medical University (“NEOMED”), formerly known as the Northeast Ohio Universities.

Technology, Financial and Professional Services

FirstEnergy Corp. (“FirstEnergy”), headquartered in the City, is one of the nation’s largest investor-owned electric systems. FirstEnergy’s operating companies include Ohio Edison, The Illuminating Company, Toledo Edison, Jersey Central Power and Light, Mon Power, Met-Ed Potomac Edison, and several others. FirstEnergy currently supplies power to over six million customers in six states: Ohio, Pennsylvania, New Jersey, Maryland, West Virginia, and Virginia. Through the Energize365 initiative, FirstEnergy has planned investments totaling $26 billion across its distribution and transmission systems between 2024 and 2028, allowing for a smarter, more secure, and reliable grid that can accommodate electric vehicles and clean energy sources. Company-wide, FirstEnergy employs over 12,000 employees, holds $48 billion in assets, and generates $12.45 billion in annual revenue.

The City is home to regional offices for national banks including U.S. Bank, Key Bank, Chase, Fifth Third, and PNC.

Recreational, Cultural and Natural Attractions

Several recreational, cultural and natural attractions are located in the City and County. These attractions make the area a particularly unique and enticing location for businesses and their employees.

The John S. Knight Center, a 122,300 square-foot facility that includes an exhibit hall, a ballroom/exhibition space, a conference center, a full-service kitchen and a large lobby area, is located in downtown Akron. This multi-purpose facility is owned by the City and leased to the Akron/Summit Convention and Visitors Bureau. The John S. Knight Center hosted 94 events in 2022.

The Summit Metro Parks (a separate political subdivision that includes most of the territory of the County) (the "Metro Parks"), operates a park system of approximately 14,300 acres in the County and in neighboring Medina County. This system includes 16 parks, several conservation areas, and over 150 miles of trails. Annual attendance averages 5 million visitors. In addition, the City operates 139 parks covering 2,114 acres.

The Cuyahoga Valley National Park, covering approximately 33,000 acres, is located primarily in the County and is the tenth most visited national park in the country. The Cuyahoga Valley encompasses interesting geological formations with the Cuyahoga River's closely spaced ravines (dropping nearly 600 feet within a few miles), beautiful natural wildlife and scenery, and historic points of interest. The Cuyahoga River itself drops nearly 500 feet from the City (the highpoint of the river) to Cleveland (at the river's entry into Lake Erie). The National Park Service has estimated that 2.24 million people annually use the Cuyahoga Valley National Park and non-park facilities within the park's boundaries. The park preserves rural and natural land and open space along 22 miles of the Cuyahoga River.

Blossom Music Center, located within the Cuyahoga Valley National Park, is the summer home to the Cleveland Orchestra and hosts dozens of concerts each year. The pavilion, in an 800-acre woodland, has perfect acoustics and unobstructed views. It seats more than 6,000 people under cover and an additional 13,500 on the lawns. Performers range from symphony orchestras to rock groups. Concerts take place May through September.

The Ohio and Erie Canal National Heritage Corridor, running north from Cuyahoga County, through the County, and south through Stark and Tuscarawas Counties, was established to preserve the region's heritage and provide for tourism and recreation as part of a regional revitalization project. The Ohio and Erie Canal was once a critical component to the economy and growth of the City, County and region. Today, The Towpath Trail, which runs predominantly along the route of the former canal remains as a reminder of the region's past and as a recreational opportunity used by many residents and visitors to the area.

The Akron Zoological Park is located on 77 acres just west of downtown Akron and is one of the 238 accredited zoos by the Association of Zoos and Aquariums. The Akron Zoo has 4,079 animals from around the world representing 248 different species. The Zoo also has a beautiful garden area with over 7,000 plants and flowers. The Zoo's education department reached 59,799 participants in 2022. The Zoo has net assets of more than $80 million. In 2020, residents of the County approved a renewal of the .8 mill real property tax levy for Zoo operations, with an increase of .4 mills, for a 10-year period. The increase in millage will generate an additional $5 million annually for the Zoo. The Zoo has net assets of more the $74.5 million.

Long recognized among the community's cultural landmarks, the 2,700-seat Akron Civic Theatre has a rich and spectacular history. It has provided the community with a venue for quality entertainment and live performances for decades. The theater was built in 1929 by Marcus Loew and designed by famed theater architect, John Eberson. The interior structure was fashioned after a Moorish castle featuring Mediterranean decor, including medieval carvings, authentic European antiques and Italian alabaster sculptures. Among facilities of its size, the Civic is one of only five remaining atmospheric theaters in the country where patrons experience a twinkling star-lit sky and intermittent clouds moving across the horizon, all while sitting inside the auditorium. In June 2001, the Akron Civic Theatre underwent a $19 million renovation to update its stage and main theater area. Since 2016, the Civic Theater has been the recipient of two state of Ohio capital fund investments, and most currently, completed a $9 million renovation as part of the Staging the Future campaign, which included a new box office with access from the entry arcade, renovation to the historic Whitelaw building to hold a new 200 + capacity venue known as The Knight Stage, and new administrative offices.

One of the region's most popular event destinations, Lock 3 Park is scheduled to receive an upgrade in 2023. The total projected cost of the project is $10 million and includes funding from the County, the City, the John S. and James L. Knight Foundation, the Ohio & Erie Canalway Coalition, and individual donors. Groundbreaking for this project has occurred. The Lock 3 Vision Plan, which mapped out the improvements, is a key component of the Akron Civic Commons 2.0 project, an effort to create accessible, equitable and welcoming public spaces for all residents and visitors. This Lock 3 Vision Plan intends to build on the success of Lock 3 Park as a successful event, concert and festival public space and develop a `365-day' park that is a destination for residents, guests, hikers and bicyclists along the Ohio & Erie Canal Towpath Trail.

Canal Park, located in downtown Akron, is home to the Akron RubberDucks, the AA affiliate of Major League Baseball's Cleveland Guardians. The AA franchise moved into the 9,097-seat $31 million facility complete with 25 loges in 1997 as the Akron Aeros and won Eastern League titles in 2003, 2005, 2009, 2012, 2016, and 2021 and five division titles within the last decade. In 2012, the Aeros were purchased by Ken Babby and in October of 2013 the name was changed to reflect the history of the region. Prior to the 2014 season, the stadium underwent a $5.6 million renovation, and in 2021, the Akron City Council approved and additional $2.95 million for improvements to Canal Park, including sealing and concrete repairs, HVAC improvements, and new seating. Canal Park has a capacity of 7,630 fans and attendance in 2022 was approximately 253,735.

The Firestone Country Club has hosted professional golf tournaments annually since 1954, including the Rubber City Open, the American Golf Classic, the World Series of Golf, the World Golf Championships — NEC Invitational, and the World Golf Championships — Bridgestone Invitational. In 2019, Firestone Country Club began hosting the Senior PGA Players Championship. The famed South Course of Firestone Country Club has also hosted three PGA Championships and a Senior PGA Championship.

Opened in 1922, The Akron Art Museum, is dedicated to enriching lives through modern and contemporary art, and showcases regional, national, and international art created since 1850. The museum's collection is presented in a spectacular facility designed by Viennese architectural firm Coop Himmelblau and includes over 5,000 works of art, with a strong focus on contemporary painting, sculpture, and photography. Nearly a dozen exhibitions each year present prominent artists in various media including painting, sculpture, photography, video, design and glass. The Akron Art Museum celebrated its 100-year anniversary in 2022.

A number of additional facilities with historic significance are located in the City, including Stan Hywet Hall, a 65-room Tudor Revival manor house built by Goodyear Tire & Rubber Company founder Frank Seiberling. In addition to the manor house and grounds, Stan Hywet is furnished with antiques and works of art dating from the 14th century. Stan Hwyet Hall and Gardens hosted the hit PBS Series, Antiques Roadshow, in 2023 and draws in thousands of visitors each year.

In July of each year, young competitors from around the world converge on the County to participate in the All-American Soap Box Derby, which is held at Derby Downs in the City. The annual week-long event brings thousands of people to the County and represents a major source of tourism for the County.

Employment and Income

The following table shows comparative employment and unemployment statistics for the indicated periods.

	Employed in			**Unemployment Rate**			
Year(a)	**City**	**County**		**City**	**County**	**State**	**U.S.**
2018	87,874	264,391		5.3%	4.6%	4.5%	3.9%
2019	88,630	267,260		5.0	4.3	4.2	3.7
2020	82,774	250,214		10.3	8.3	8.2	8.1
2021	84,251	255,603		6.7	5.4	5.1	5.3
2022	85,637	259,207		4.7	4.1	4.0	3.6
2023	86,839	262,509		4.3	3.8	3.7	3.6
2024	86,859	262,567		5.0	4.4	4.3	4.0
2025							
Jan.	85,730	259,156		6.3	5.6	5.3	4.4
Feb.	86,778	262,322		6.4	5.6	5.4	4.5
Mar.	88,154	266,484		6.2	5.6	5.2	4.2
Apr.	87,801	265,416		6.0	5.3	4.9	3.9
May	86,934	262,795		5.5	4.9	4.7	4.0

(a) Not seasonally adjusted.
Source: Ohio Department of Job and Family Services.

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The following employers (private and public) have the largest work forces within the City (as of December 31, 2024):

Employer	Nature of Activity or Business	Approximate Number of Employees
Amazon Fulfillment Center	Fulfillment center	9,226
Summa Health System	Healthcare	7,964
Akron Children's Hospital	Healthcare	7,000
University of Akron	Higher Education	5,099
Akron General/Cleveland Clinic	Healthcare	4,426
The School District*	Education	3,438(a)
Goodyear Tire	Tire manufacturer	3,027
The County	Government	2,812

(a) As reported by the School District as of the date of this Official Statement.

Sources: City's Annual Comprehensive Financial Report.

The 2023 median family and household incomes, as reported by the Census Bureau in its "2019-2023 American Community Survey 5-Year Estimates," are set forth in the following table.

	2023 Median Income	
	Family	Household
School District	$63,061	$48,544
City	65,249	48,544
County	92,526	71,016
State	90,288	69,680
United States	96,922	78,538

According to the Ohio Department of Taxation, the average federal adjusted gross income for residents within the School District filing Ohio personal income tax returns for calendar year 2022 was $48,926, compared to the averages of $112,498 for all Ohio school districts (for all tax returns filed, the 2022 State average for tax returns that indicated school districts was $78,768) and $89,080 for all school districts in the County.

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The income per household in the School District, the City and the County is estimated to be distributed as set forth in the following table.

Income and Benefits(a)	District		City		County	
Less than $10,000	7,044	8.4%	8,194	9.6	11,705	5.1%
$10,000 to $14,999	5,954	7.1	5,609	5.5	9,410	4.1
$15,000 to $24,999	8,972	10.7	10,492	10.3	17,442	7.6
$25,000 to $34,999	8,469	10.1	9,416	11.3	17,901	7.8
$35,000 to $49,999	12,746	15.2	12,762	13.2	26,852	11.7
$50,000 to $74,999	14,758	17.6	15,512	18.7	38,327	16.7
$75,000 to $99,999	10,062	12.0	9,415	10.5	29,376	12.8
$100,000 to $149,999	10,062	12.0	7,421	13.7	38,097	16.6
$150,000 to $199,999	3270	3.9	2,145	3.3	19,508	8.5
$200,000 or more	2,599	3.1	1,698	3.8	21,114	9.2

(a) In 2023 inflation-adjusted dollars.
Source: U.S. Census Bureau Selected Source Characteristics in the United States 2019-2023.

The U.S. Census Bureau also estimates that 23.7% of people in the District, 22.8% of people in the City and 12.7% of people in the County have incomes that fall below the poverty level.

Housing and Residential Development

The following is U.S. Census Bureau information concerning housing in the Township, with comparative County and State statistics.

	2023 Median Value of Owner-Occupied Homes(a)	% Constructed Prior to 1940(a)	Number of Housing Units 2010(b)	Number of Housing Units 2023(a)	% Change
City	$ 111,200	33.9%	96,840	93,503	-3.4
County	195,700	20.3	245,989	247,239	+0.5
State	199,200	19.2	5,127,508	5,271,573	+2.8

(a) Source: U.S. Census Bureau Selected Source Characteristics in the United States 2019-2023.
(b) Source: U.S. Census Bureau 2010: Decennial Census Summary File.

County Fiscal Officer figures for average sales price of residential property in the County are shown in the following table.

Year	County	City
2019	$193,607	$113,246
2020	204,547	121,066
2021	218,828	132,131
2022	237,165	131,704
2023	245,358	133,153

Utilities; Public Safety and Services

Water service within the School District is provided by the City water system, and is purchased directly by the consumers and distributed by the City to consumers. Sewage collection and disposal is provided by the City and is purchased directly by the consumers and managed by the City. Electricity is obtained from Constellation newEnergy Inc., and distributed by the FirstEnergy, and natural gas is supplied by Interstate Gas Supply Inc., and distributed by Dominion Energy Ohio. Fire protection is provided by the Akron Fire Department. Solid waste collection is provided by Republic Waste Services.

FINANCIAL MATTERS

Introduction

The School District's Fiscal Year corresponds with the July 1 to June 30 school year. Property taxes, are levied and collected on a calendar year basis.

The main sources of School District revenue have been and are property taxes and the State School Funding System distributions. See **State School Funding System**.

The Treasurer and the Board are responsible for the major financial functions of the School District. The Treasurer is the fiscal officer and chief accounting officer and keeps the books and accurate statements of all money received and expended, and receives, invests, maintains custody of and disburses all School District money.

Other important financial functions include general financial recommendations and planning by the Treasurer, the Superintendent and the administrative staff; budget preparation by the Treasurer; and express approval of all budgeting and appropriations by the Board.

For property taxation purposes, assessment of real property is by the County Fiscal Officer subject to supervision by the State Tax Commissioner, and assessment of public utility and tangible personal property is by the State Tax Commissioner. Property taxes and assessments are billed and collected by County officials.

Budgeting, Property Tax Levy and Appropriations Procedures

Detailed provisions for budgeting, property tax levies and appropriations are made in the Revised Code, including a requirement that the School District levy a property tax in a sufficient amount, with any other money available for the purpose, to pay the debt charges on securities payable from property taxes.

The law requires generally that a subdivision prepare, and then adopt after a public hearing, a tax budget approximately six months before the start of the next fiscal year. The tax budget then is presented for review by the county budget commission, which is typically comprised of the County Fiscal Officer, treasurer and prosecuting attorney, but in Summit County is comprised of the Summit County Fiscal Officer, the County Executive, and the County Prosecutor. (The offices of the Summit County Fiscal Officer and Treasurer have been combined in one fiscal office.) However, in certain situations, a county budget commission may waive the requirement for a tax budget and permit an alternative form of tax budget with more limited information. The Summit County Budget

Commission has waived the requirement of a tax budget and has permitted the District to file the alternative form.

Based on the tax budget information supplied by the School District, the County Budget Commission determines and approves levies for debt charges outside and inside the ten-mill limitation. The Revised Code provides that "if any debt charge is omitted from the budget, the commission shall include it therein."

The County Budget Commission then certifies to each subdivision its action on the tax budget together with the estimate by the County Fiscal Officer of the tax rates outside and inside the ten-mill limitation. Thereafter, and before the end of the then Fiscal Year, the taxing authority (the Board, in the case of the School District) approves the tax levies and certifies them to the County Fiscal Officer. The approved and certified tax rates are then reflected in the tax bills sent to property owners. Real property taxes are payable in two equal installments, the first usually by February and the second in July.

The Board adopts a temporary appropriation measure each June for the ensuing Fiscal Year and a permanent appropriations measure by October for that Fiscal Year. Although called "permanent," the annual appropriation measure may be, and often is, amended during the Fiscal Year. Annual appropriations may not exceed the County Budget Commission's official estimates of resources, and the County Fiscal Officer must certify that the Board's appropriation measures do not appropriate money in excess of the amounts set forth in those estimates.

State law requires that a school district set aside amounts for permanent improvements (acquisition, replacement, enhancement, maintenance or repair). Generally speaking, the set-aside requirement is 3% of the applicable formula amount for the preceding Fiscal Year multiplied by the school district's student population for that year. See the Fiscal Year 2023 Financial Statements for more information.

Financial Reports and Audits

The School District maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the Ohio Auditor of State (the State Auditor). The State Auditor is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions.

School District receipts and expenditures are compiled on a cash basis, pursuant to accounting procedures prescribed by the State Auditor that are generally applicable to all Ohio school districts. The records of these cash receipts and expenditures are converted annually for reporting purposes to a modified accrual basis of accounting for governmental funds and an accrual basis for proprietary funds. These accounting procedures conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). Those principles, among other things, provide for a modified accrual basis of accounting for the general fund, all special revenue funds and the debt service (bond retirement) fund and for a full accrual basis of accounting for all other funds, and for the preparation for each fund of balance sheets, statements of revenues and expenditures and statements showing changes in fund balances.

Annual financial reports are prepared by the School District and are filed as required by law with the State Auditor after the close of each Fiscal Year.

The most recent audit (including compliance audit) of the School District's accounts was completed through Fiscal Year 2024. The audited Basic Financial Statements of the District for Fiscal

Year 2024 are set forth as **Appendix C-2**; they were audited by the State Auditor, as stated in his report appearing in those statements. No material findings, citations or items for adjustment, or material weaknesses in internal controls at the financial statement level, were noted as part of the audit.

Audits are made by the State Auditor, or by private auditing firms (CPAs) at the direction of that officer, pursuant to Ohio law and under certain federal program requirements. No other independent examination or audit of the School District's financial records is made.

See **Appendix A** for an unaudited comparative cash-basis summary of general operating fund activity for the last five Fiscal Years and forecasted for Fiscal Year 2025. That summary has been prepared using five-year financial forecast information submitted by the School District to the State Department of Education and publicly available on that Department's website. Governmental funds receipts and expenditures (cash basis) for the two prior Fiscal Years are set forth in **Appendix B**. See **Appendix C-1** for the School District's audited Fiscal Year 2023 Financial Statements, including the audit letter/independent accountant's report and **Appendix C-2** for the School District's unaudited Fiscal Year 2024 Financial Statements.

The audited financial statements are public records, no consent to their inclusion is required, and no bring-down procedures have been undertaken by the State Auditor since their date.

Investments and Deposits

Investments and deposits of School District funds are governed by the Uniform Depository Law (Chapter 135 of the Revised Code) applicable to all school districts. The Treasurer is responsible for those investments and deposits. Under recent and current practices, and the School District's approved investment policy, in addition to deposits evidenced by interest-bearing certificates of deposit, investments are made in the State Treasurer's subdivision investment pool (STAR Ohio), federal or federal agency securities, commercial paper, U.S. Treasury bonds and notes and Ohio Municipal Securities. See also Notes to the Fiscal Year 2024 Financial Statements.

The School District does not invest in any securities that would be characterized as derivatives or in reverse repurchase agreements and purchases all investments with the intent to hold to maturity.

Five-Year Financial Forecast

Pursuant to State law, the School District prepares a five-year financial forecast (the Forecast) that is adopted by the Board and filed with the Ohio Department of Education & Workforce. The Forecast reflects three years of historical general operating fund revenues, expenditures and balances, as well as a forecast of such revenues, expenditures and balances for the present Fiscal Year and four additional Fiscal Years. Notes to the Forecast accompany the projections. Under prior law, the Forecast had to be approved by the Board by October 31 of each Fiscal Year, and then updated between April 1 and May 31. Under current law, the Forecast must be approved by the Board by a date to be determined by the State, which State-mandated deadline cannot be earlier than November 30 of each Fiscal Year, and then updated between April 1 and May 31. The School District's most recent Forecast was approved by the Board in December, 2024, and shows positive Fiscal-Year-end cash balances through Fiscal Year 2028.

GENERAL OPERATING FUNDS

The General Fund is the School District's main operating fund, from which most expenditures are paid and into which most revenues are deposited. The General Fund receives money from many sources, but primarily from ad valorem property taxes and the education aid distributions from the State under the State School Funding System. For details concerning general operating fund revenues, expenditures and beginning and year-end balances in Fiscal Year 2024 and other recent Fiscal Years, see **Ad Valorem Property Taxes**, **State School Funding System**, and **Appendices A, B** and **C**.

Other than its authority to levy ad valorem property taxes, the only tax the Board may under existing State law impose, and only if approved by the School District's electors, is an income tax on (a) the school district income of individuals and estates or (b) wages, salaries, tips and other employee compensation. The Board acted to put an income tax issues before the voters in 1989 and 2003. Those issues were defeated.

AD VALOREM PROPERTY TAXES

Assessed Valuation

The following table shows the recent assessed valuations of property subject to ad valorem taxes levied by the School District.

Collection Year	Real(a)	Public Utility(b)	Total Assessed Valuation
2019	$2,229,301,720	$141,436,250	$2,370,737,970
2020	2,359,556,930	150,004,800	2,509,561,730
2021(c)	2,657,296,790	164,022,330	2,821,319,120
2022	2,610,020,730	174,372,860	2,784,393,590
2023	2,591,881,450	185,561,240	2,777,442,690
2024(d)	3,293,162,870	194,570,510	3,487,733,380

(a) Other than real property of railroads. The real property of public utilities, other than railroads, is assessed by the County Fiscal Officer. Real property of railroads is assessed, together with tangible personal property of all public utilities, by the State Tax Commissioner.
(b) Tangible personal property of all public utilities and real property of railroads.
(c) Reflects sexennial reappraisal.
(d) Reflects triennial adjustment.

Source: County Fiscal Officer.

Taxes collected on "Real" in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. "Public Utility" (real and tangible personal) taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.

Based on County Fiscal Officer records of assessed valuations for the 2024 collection year, the largest School District ad valorem property taxpayers are:

Name of Taxpayer	Nature of Business	Total Assessed Valuation	% of Total Assessed Valuation
Ohio Edison	Public Utility	$107,449,160	3.07%
Akron Romig Road LLC	Commercial Warehouses	65,946,720	1.88
American Transmission Systems Inc.	Public Utility	65,306,390	1.86
Childrens Hospital Medical Center of Akron	Other Commercial Structures	45,638,100	1.30
East Ohio Gas	Public Utility	32,450,120	0.93
City of Akron	Parking Garage and Office Buildings	26,811,920	0.77
Chapel Hill Associates LLC	Community Shopping Center	11,982,500	0.34
Albrecht Incorporated	Supermarkets	9,599,990	0.27
Ohio Edison Tower Limited Liability	Office Build 3 or more Stories	6,431,420	0.18
Summa Health Systems Hospitals	Other Commercial Structures	5,883,350	0.17
Bridgestone Americas Tire Operations LLC	Founderies & Heavy Manufacturing Plant	5,851,490	0.17
Shin Etsu Silicones of America Inc.	Manufacturing & Assembly	4,949,070	0.14
Ohio Bell Telephone	Public Utility	4,939,010	0.14
IRG RC Market Offices I LLC	Founderies & Heavy Manufacturing Plant	3,754,430	0.11
White Pond Crossing Inc.	Office Building 1-2 Stories	3,619,600	0.10

Pursuant to statutory requirements for sexennial reappraisals, in 2020 the County Fiscal Officer adjusted the true value of taxable real property to reflect current fair market values. These adjustments were first reflected in the 2020 duplicate (collection year 2021) and in the ad valorem taxes distributed to the School District in 2021 and thereafter. The County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal), and has adjusted, taxable real property value triennially to reflect true values. The County Fiscal Officer completed such a triennial adjustment in 2023.

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the State Tax Commissioner. An exception is that real property devoted exclusively to agricultural use is to be assessed at not more than 35% of its current agricultural use value. Real property devoted exclusively to forestry or timber growing is taxed at 50% of the local tax rate upon its assessed value.

As a result of a phase-out of taxation of tangible personal property used in general business (excluding certain public utility property) and tangible personal property used by telephone, telegraph or interexchange telecommunications companies, and a reduction of the percentages of true value of electric utility production equipment and natural gas utility property assessed for taxation, eligible school districts have received reimbursement payments from the State to account for the loss of property tax revenue. Under legislation passed by the State General Assembly in 2015, such reimbursements have been combined and are to be distributed by the State in November and May of each Fiscal Year. The School District did not receive any such reimbursements in Fiscal Year 2023 or in any other Fiscal Year since Fiscal Year 2016 and does not anticipate receiving any such reimbursements in the future.

As indicated herein, the General Assembly has from time to time exercised its power to revise the laws applicable to the determination of assessed valuation of taxable property and the amount of receipts to be produced by ad valorem taxes levied on that property, and may continue to make similar revisions.

Ohio law grants tax credits to offset increases in taxes resulting from increases in the true value of real property. Legislation classifies real property as between residential and agricultural property and all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These tax credits apply only to certain voted levies on real property, and they do not apply to unvoted levies or to voted levies to provide a specified dollar amount or to pay debt charges on general obligation debt, such as the Bonds. These credits are discussed further following **Tax Table A**.

Pursuant to the Revised Code Section 3735.66, the City established a Community Reinvestment Area (CRA) program. Property owners in the CRA can receive temporary tax abatements for the renovation of existing structures and new construction in these areas. The total value of the School District's share of taxes abated for Fiscal Year 2024 was estimated at $13,237,445.

The School District receives payments from the City in lieu of taxes the District would otherwise receive as a result of tax exemptions granted on certain property within the District on which a Tax Increment Financing (TIF) project has been established. A TIF is an economic development mechanism available to local governments in Ohio to finance public infrastructure improvements and, in certain circumstances, residential rehabilitation. A TIF works by allowing the increase in assessed valuation as the result of an improvement to real property be exempt from real property taxation. School Districts may be due certain portions of the exempted taxes that would have been paid to such District had the property not been subject to the TIF. The total amount of the School District's TIF payments from the City for Fiscal Year 2024 was $4,574,334.

A Joint Economic Development District (JEDD) is an agreement between two parties that share benefits and responsibilities of development projects. JEDDs propose a tax on the area and profits go toward both parties. JEDD tax is a type of municipal tax separate from the federal, state, city and school district income taxes. The purpose of a JEDD is to cut costs, preserve jobs, increase efficiency and promote development in the communities. The total amount of the School District's JEDD payments from the City for Fiscal Year 2024 was $1,284,069.

Overlapping Governmental Entities

The major political subdivisions or other governmental entities that overlap all or a portion of the territory of the School District are listed below. The "(___%)" figure is that approximate percentage of a recent assessed valuation of the overlapping entity that is located within the School District.

- The County (functions allocated to counties by Ohio law, such as elections, health and human services, and judicial). (18.81%)
- City of Akron (89.39%) and the City of Fairlawn (1.41%) (municipal corporation responsibilities).
- Township of Copley (0.28%) (limited functions allocated to townships by Ohio law).
- The METRO Regional Transit Authority (public mass transit system). (18.81%)
- The Metro Parks, Serving Summit County (park and recreation areas). (18.81%)
- The Muskingum Watershed Conservancy District. (4.95%)
- Akron Summit County Library District (28.21%)

- Akron Bath Copley Hospital District (63.41%)

Source: OMAC.

Each of these entities operates independently, with its own separate budget, taxing power and sources of revenue. Only the County, the City, the Township, may, as may the School District, levy ad valorem property taxes within the ten-mill limitation (subject to available statutory allocation of the 10 mills) described under **School District Debt and Other Long-Term Obligations – Indirect Debt and Unvoted Property Tax Limitations**.

Tax Rates

All references to tax rates under this caption are in terms of stated rates in mills per $1.00 of assessed valuation.

The following are the rates at which the School District and overlapping taxing subdivisions have in recent years levied ad valorem property taxes in that area of the School District within the City (an area having approximately 88% of the assessed valuation of real property in the School District).

TAX TABLE A
Overlapping Tax Rates

Collection Year	School District	City	County and Others(a)	Total
2021	79.56	10.50	17.06	107.12
2022	79.56	10.50	18.00	108.06
2023	79.56	10.50	18.00	108.06
2024	79.56	10.50	18.00	108.06
2025	88.45	10.50	17.09	116.04

(a) Includes Board of Mental Retardation, Children's Services Board, Akron-Summit County Library, METRO Parks, Alcohol, Drug and Mental Health Board.

Source: County Fiscal Officer.

Statutory procedures limit, by the application of tax credits, the amount realized by each taxing subdivision from real property taxation to the amount realized from those taxes in the preceding year plus both:

- the proceeds of any new taxes (other than renewals) approved by the electors, calculated to produce an amount equal to the amount that would have been realized if those taxes had been levied in the preceding year; and

- amounts realized from new and existing taxes on the assessed valuation of real property added to the tax duplicate since the preceding year.

These procedures were instituted initially in 1976 to limit in part the effect of increasing property values due to appreciation on the growth of those property taxes

The tax credit provisions do not apply to amounts realized from (i) taxes levied at whatever rate is required to produce a specified amount or an amount to pay debt charges on voted general obligations, (ii) taxes levied inside the ten-mill limitation or inside applicable municipal charter tax rates, or (iii) school district levies for operating purposes once the "twenty-mill floor" has been reached. To calculate the limited amount to be realized, a reduction factor is applied to the stated rates of the levies subject to these tax credits. A resulting "effective tax rate" reflects the aggregate of those reductions, and is the rate based on which real property taxes are in fact collected. As an example, the total overlapping tax rate for the 2025 tax collection year of 116.04 mills within the School District (within the City) is reduced by reduction factors 0.415151 for residential/agricultural property and 0.212935 for all other real property, which resulted in "effective tax rates" of 67.865824 mills for residential and agricultural property and 91.331043 mills for all other real property. See **Tax Table A**.

Residential and agricultural real property tax amounts paid by taxpayers generally have been further reduced by an additional 10% (12.5% in the case of owner-occupied residential property); however, legislation passed by the State's General Assembly in 2013 eliminated such reductions for additional and replacement levies approved at elections after September 29, 2013, and for other taxes (or increases in taxes) not levied for tax year 2013. See **Collections** for a discussion of reimbursements by the State to taxing subdivisions for these reductions and related changes made by that State legislation.

The following are the rates at which the School District levied property taxes for the general categories of purposes for the years shown, both inside and outside the ten-mill limitation:

TAX TABLE B
School District Tax Rates

Unvoted (inside the 10-Mill Limitation)

Collection Year	Total
2021	4.20
2022	4.20
2023	4.20
2024	4.20
2025	4.20

Voted

Collection Year	Operating	Permanent Improvement	Bond	Total
2021	71.80	3.56	-	75.36
2022	71.80	3.56	-	75.36
2023	71.80	3.56	-	75.36
2024	71.80	3.56	-	75.36
2025	79.4	3.56	1.29	84.25

The voted levies for "Debt Retirement" continue for the life of the bonds authorized by the voters, in annual amounts sufficient to pay debt charges on those bonds as they come due.

The total School District operating millage of 71.80 mills for collection year 2024 includes voted levies aggregating 71.80 mills, all approved by the School District electorate for a continuing period of time and which do not require a renewal vote. The balance of 4.20 mills constitutes the School District's mandated share of the unvoted 10 mills.

See the discussion of the ten-mill limitation, and the priority of claim on that millage for debt charges on unvoted general obligation debt, under **School District Debt and Other Long-Term Obligations – Indirect Debt and Unvoted Property Tax Limitations**.

The following table presents certain information concerning the School District's millage-based voted property tax levies for current operating expenses levied for collection year 2025, each of which is levied for a continuing period of time:

Millage Rate			
Voter Authorized	Levied for Collection Year 2025		Final Collection Year
	Res./Agr.	All Other	
26.70	6.997429	13.536740	Continuing
5.00	1.606835	3.396260	Continuing
6.50	2.194179	4.723310	Continuing
8.90	3.957830	7.711592	Continuing
8.90	5.575503	7.711592	Continuing
7.90	4.965387	6.845121	Continuing
7.90	4.965387	6.845121	Continuing
7.60	7.600000	7.545804	Continuing

For collection year 2025, the School District had an effective tax rate on residential and agricultural property of 44.285541 mills (including 37.86255 for voted levies and the 4.20-mill mandated share of the unvoted 10 mills) for current operating expenses. State law establishes a "20-mill floor" for a school district's levy for current operating expenses (excluding for this purpose emergency tax levies and other "fixed dollar" levies for operating purposes). If the School District were to reach that floor, the effect of the reduction mechanism discussed above would be negated, and the School District would receive the proceeds of 20 mills of property tax levied against all property subject to ad valorem property taxes without reduction. The effect of reaching that floor would be that the School District would receive increases in property tax receipts for operating purposes more nearly commensurate with increases in its assessed valuation. There can be no assurance whether or when the School District will reach that floor.

The School District is also levying a voter-authorized 3.56-mill ad valorem property tax for general permanent improvements at effective rates of 0.932991 mills for residential and agricultural real property and 1.804899 for all of the other real property for collection in collection year 2025.

Each levy approved for a continuing period is subject to reduction through a statutory procedure requiring both (i) a petition signed by 10% of the electors of the School District voting in the last general election (to be filed at least 60 days before the general election in any year) stating the amount of the proposed reduction and (ii) the approval of the reduction by a majority vote at the general election, with the reduction to commence at the expiration of the then-current year. No such petition has ever been filed with respect to a School District levy.

The results of issues placed before the electors of the School District since 1986 are set forth in the following table.

TAX TABLE C
Tax Issues Voted Upon
1985 through Present

Date of Election	Amount – Type	Term	Vote Result (For-Against)
05-07-1985	3.56 Mills – Permanent Imp. (renewal)	5 years	**Passed** (66%-34%)
05-07-1985	5.00 Mills – Current Expense	Continuing	**Passed** (55%-45%)
08-02-1988	6.50 Mills – Current Expense	Continuing	Failed (43%-57%)
11-08-1988	6.50 Mills – Current Expense	Continuing	**Passed** (51%-49%)
05-08-1990	3.56 Mills – Permanent Imp. (renewal)	5 years	**Passed** (61%-39%)
06-02-1992	8.95 Mills – Current Expense	Continuing	Failed (45%-55%)
11-03-1992	6.45 Mills – Current Expense	Continuing	Failed (49%-51%)
05-04-1993	7.70 Mills – Current Expense	Continuing	Failed (42%-58%)
05-03-1994	8.90 Mills – Current Expense	Continuing	**Passed** (55%-45%)
05-02-1995	3.56 Mills – Permanent Imp. (renewal)	5 years	**Passed** (65%-35%)
11-02-1999	3.56 Mills – Permanent Imp. (renewal)	Continuing	**Passed** (65%-35%)
11-06-2001	8.90 Mills – Current Expense	Continuing	**Passed** (56%-44%)
11-08-2005	5.90 Mills – Current Expense	Continuing	Failed (46%-54%)
05-02-2006	7.90 Mills – Current Expense	Continuing	Failed (49%-51%)
11-07-2006	7.90 Mills – Current Expense	Continuing	**Passed** (52%-48%)
11-08-2011	5.50 Mills – Current Expense	Continuing	Failed (49%-51%)
11-06-2012	7.90 Mills – Current Expense	Continuing	**Passed** (59%-41%)
11-05-2024	7.60 Mills – Current Expense	Continuing	**Passed** (58%-42%)
11-05-2024	1.29 Mills – Bond Levy	37 years	**Passed** (58%-42%)

Collections

The following are the amounts billed and collected for School District ad valorem property taxes on real and public utility property for the tax collection years shown.

Collection Year	Current Billed	Current Collected	Current % Collected	Delinquent	
				Current	Accumulated
2021	$149,150,893	$128,467,169	86.13%	$20,683,724	$52,180,980
2022	147,486,520	135,922,419	92.16%	11,564,101	35,850,942
2023	147,134,987	135,365,698	92.00%	11,769,289	33,466,143
2024	148,909,469	139,745,226	93.85%	9,164,243	43,636,966

Source: County Fiscal Officer.

Included in the "Current Billed", "Current Collected" and "Current % Collected" figures above are payments made from State revenue sources under two Statewide real property tax relief programs – the Homestead Exemption and the Property Tax Rollback Exemption. Homestead Exemptions have been available for (i) persons 65 years of age or older, (ii) persons who are totally or permanently disabled and (iii) surviving spouses of persons who were totally or permanently disabled or 65 years of age or older, and had applied and qualified for a reduction of property taxes in the year of death, so long as the surviving spouses were not younger than 59 or older than 65 years of age on the date of their deceased spouses' deaths. The Homestead Exemption exempts $25,000 of the homestead's market value from taxation, thereby reducing the property owner's ad valorem property tax liability. The Property Tax Rollback Exemption applies to all non-business properties, and reduces each property owner's ad valorem property tax liability by either 12.5% (for owner-occupied non-business properties) or 10% (for non-owner non-business occupied properties). Payments to taxing subdivisions have been made in amounts approximately equal to the Homestead and Property Tax Rollback Exemptions granted. This State assistance reflected in the School District's tax collections for 2025 was $2,786,489 for the elderly/disabled homestead payment and $10,305,495 for the rollback payment.

The Homestead Exemption became subject to means testing beginning in 2014, and the Property Tax Rollback Exemption and related reimbursements have been eliminated with respect to new or replacement tax levies approved at elections after September 29, 2013, and for other taxes (or increases in taxes) not levied for tax year 2013. See **Tax Rates**.

Real property taxes are payable in two installments, the first usually by February and the second in July.

Delinquencies

The following is a general description of delinquency procedures under Ohio law, the implementation of which may vary in practice among the counties.

Under the Revised Code, taxes levied on property become a lien of the State on the first day of January, annually, and that lien continues until the taxes, including any penalties, interest or other charges, are paid. Real estate taxes and special assessments are generally payable in two equal installments – with the first half installment due no later than January in the year following their levy and the second half installment due no later than July in the year following their levy. Current year billed taxes not paid when due are generally subject to a 10% penalty, subject to remission of one-half of the penalty if those taxes are paid within 10 days following the due date.

The county auditor is required to prepare a list and duplicate of delinquent lands ("delinquent lands duplicate") immediately after each settlement with the county treasurer of taxes collected and to certify the delinquent lands duplicate to the county treasurer. Taxes, including penalties, interest and other charges, that remain unpaid after the last day that the second half installment of current taxes may be paid without penalty in any year become "delinquent taxes" and the properties to which they relate comprise the delinquent lands duplicate. If delinquent taxes (and special assessments) are not paid within 60 days after a copy of the county auditor's delinquent land duplicate is delivered to the county treasurer, then the county treasurer is to enforce the lien of the State that attached on January 1 of the year the taxes were levied. Under State law, the county treasurer is to enforce the lien "in the same way mortgage liens are enforced," that is, by an action in the court of common pleas for foreclosure and sale of the property in satisfaction of the delinquency. If the county treasurer fails to bring an action to enforce the lien, then the State Tax Commissioner is to do so. In addition, one year after certification of a delinquent land duplicate, the county prosecuting attorney is authorized to institute foreclosure proceedings in the name of the county treasurer to foreclose the lien.

The property owner may execute a written delinquent tax agreement with the county treasurer to arrange a payment plan that provides for payments of tax, interest, and penalties over a period not to exceed five years. If payments are made when due under the plan, no further interest will be assessed against delinquent balances covered by the plan; however, a default in any payment under the plan or in the payment of current taxes will invalidate the taxpayer's participation in the plan. If a payment plan is not adhered to or if none is arranged, foreclosure proceedings may be initiated by the county. Mass foreclosure proceedings and sales are permitted after three years' delinquency. Proceeds from delinquent property foreclosure sales become part of and are distributed as current collections to the taxing subdivisions.

In recent years, the State legislature has enacted several programs with respect to forestalling the foreclosure process or the forfeiture of property due to tax delinquency that may have the effect of delaying or eliminating the collection of certain property taxes. Notwithstanding the delay or loss of the tax revenues from those properties, an issuer of general obligation notes or bonds, such as the School District, remains obligated to pay the debt charges on those notes or bonds from the available revenues.

Current and delinquent property taxes and special assessments are billed and collected by County officials for all taxing subdivisions in the County.

Of the 85,093 nonexempt parcels in the School District for collection year 2024, the number of delinquent parcels was 7,294, against 280 of which foreclosure proceedings were commenced.

There was no one taxpayer that accounted for more than 5% of any of the accumulated delinquencies, shown in the table above for tax collection year 2024.

STATE SCHOOL FUNDING SYSTEM

The State's General Assembly has historically provided financial assistance to city, exempted village, local, municipal and joint vocational school districts as a part of its undertaking to secure a thorough and efficient system of common schools throughout the State as required by the Ohio Constitution. The levels of that financial assistance (State Education Aid) and methods used in allocating it among the school districts have been established and frequently modified in the State's biennial budget and other legislation passed by the General Assembly from time to time.

The 2023 State Budget Act extends the operation of the State Education Aid system established by the 2021 State Budget Act, with certain changes. The 2021 State Budget Act incorporated and adopted aspects of the "Fair School Funding Plan" (FSFP), a three-year, bipartisan effort by school district board members and administrators, State legislators, trade associations and other interested parties to create a funding model that would more equitably distribute money among the State's school districts, with an emphasis on additional funds being provided by the State rather than being raised by school districts through local ad valorem property tax levies, school district income taxes or otherwise.

Under the 2023 State Budget Act, State Education Aid is estimated to increase average per-pupil aid from approximately \$7,350 to approximately \$8,400 for each year of the biennium. Generally speaking, under both the 2021 State Budget Act and 2023 State Budget Act, funding was and will be increased, with a majority of the additional revenue going to the poorest school districts in the State and with the largest per-pupil increases, on average, going to urban school districts and the largest average percentage increases going to smaller urban school districts. It is anticipated that no school district will receive less net State Education Aid under the 2023 State Budget Act than under the 2021 State Budget Act. Net State Education Aid has and will increase for almost all school districts during the biennium, modestly in most instances.

The 2021 State Budget Act made significant changes to the calculation and payment of State Education Aid, which continue under the 2023 State Budget Act. Generally speaking, students are funded where they are educated, instead of where they live. Students at community schools, STEM schools and those participating in a scholarship program (e.g. EdChoice, Autism Scholarship, Jon Peterson Special Needs Scholarship) and those participating in open enrollment are directly funded at their educating entity. This change eliminated the previous practice of deduction and transfer of funds from resident school districts to educating entities for those students. As a result, school districts with large numbers of students who leave through choice options receive less State Education Aid without the inclusion of those students.

For purposes of determining the State share of the base cost of core foundation funding, an overall base cost is calculated for each school district using formulas to create estimated base costs of (i) direct classroom instruction, (ii) instructional and student support, (iii) school district leadership and accountability, (iv) building leadership and operations and (v) athletic co-curricular activities. The school district's calculated base cost is then to be allocated between a State share and a school district share based on the school district's "per-pupil local capacity" which is a function of its ad valorem property tax valuation per-pupil and measures of income wealth in the school district. The State share for school districts with lower ad valorem property tax valuations per-pupil and/or lower income wealth per-pupil is larger. However, in no case is the State share of the school district's calculated base cost less than 10% (previously 5% under the 2021 State Budget Act). The 2023 State Budget Act also requires updates in data used to calculate the base cost from Fiscal Year 2018 data to Fiscal Year 2022 data.

Under the core foundation funding formula, in addition to the State share described above, school districts may also receive, as applicable, State Education Aid in the form of (i) targeted assistance based on relative tax valuation and income factors and student population, (ii) a weighted amount based on six categories of disabilities for special education and related services, (iii) supplemental disadvantaged pupil impact aid based on the relative proportion of a school district's students identified as economically disadvantaged, (iv) a weighted amount for each of three English learner categories, (v) gifted funds for identification, referral, professional development, coordinators and intervention specialists, (vi) a weighted amount for each of five career-technical categories and (vii) a weighted amount for career-technical education associated services. The amount of a school district's State Education Aid in the form of special education, English learner, gifted and career-technical education funding is generally to be determined in the same manner as its State share of the school district's base cost.

The 2023 State Budget Act provides for private school voucher eligibility for all students in grades K-12, with the value of the EdChoice Scholarship dependent on family income. Children whose families earn up to 450% of the federal poverty level ($135,000 for a family of four) will be able to obtain a full EdChoice Scholarship to cover costs of attending participating private schools (estimated to be $6,165 for students in grades K-8 and $8,407 for students in grades 9-12), with prorated, means-tested amounts available for families earning in excess of that amount, resulting in all K-12 students being eligible for a scholarship worth at least 10% of the maximum regardless of income. In all, the 2023 State Budget Act increased voucher funding 77% from prior voucher funding. The School District cannot predict the future impact, if any, of these changes to voucher eligibility on its student enrollment and resulting State Education Aid.

The 2023 State Budget Act also renames the Department of Education as the Department of Education & Workforce (DEW) and creates the position of Director of DEW, appointed by the Governor with the advice and consent of the State Senate. Within DEW, the Division of Primary and Secondary Education and Career-Technical Education are created, each of which is headed by a Deputy Director appointed by the Director with the advice and consent of the State Senate. Most of the powers of the current elected State Board of Education, and State Superintendent of Public Instruction, are transferred to DEW, excluding educator licensure, licensee disciplinary actions, school district territory transfers and certain other areas, with a full transfer to be completed by the end of 2023.

The School District believes applicable school funding provisions in the 2025 State Budget Act will negatively affect the School District's State Education Aid as presented in its current five-year financial forecast. Based on published estimates, the School District would expect to receive decreases in its State Education Aid of approximately $187,428 in Fiscal Year 2026 and $312,443 in Fiscal Year 2027.

There can be no assurance concerning future funding levels or systems or formulae for allocation of State Education Aid or the continuing. Funding has also been subject to adjustment during a biennium. As indicated above, the General Assembly has the power to modify the system of State school funding and has often exercised that authority. The School District cannot predict whether, when or in what form any future system of State school funding will be enacted into law.

The following table presents certain information concerning State Education Aid payments to the School District under the various State funding systems and formulae in place for the Fiscal Years indicated.

Fiscal Year	**State Education Aid**	**State Education Aid as a % of General Fund Total Revenues and Other Financing Sources(a)**	**State Education Aid as a % of General Fund Total Expenditures and Other Financing Uses(a)**
2020	$201,951,985	57.96%	58.50%
2021	204,203,356	58.50	65.49
2022(b)	165,666,793	51.89	52.16
2023(b)	176,808,229	51.64	50.35
2024(b)	190,469,985	50.59	51.82
2025(c)	192,229,153	52.53	50.00

(a) See **Appendix A** for details regarding revenues and expenditures.
(b) Reflects changes under the State Budget Act, resulting in students being funded where they are educated instead of where they live. See discussion above and under **The School System – Enrollment – Charters Schools; Tuition Vouchers** and **Appendix A**.
(c) Forecasted, based on the School District's most recently filed Five-Year Forecast. See **Financial Matters – Five Year Forecast**.

See **Appendix A** for further information regarding other revenue sources for the General Fund and other operating funds.

It is to be noted again that the Notes are payable from a tax levy voted for the purpose of paying debt charges. Any reduced State appropriations have no impact on that levy, and that levy's proceeds may not lawfully be used for current expenses or other purposes.

Casino Tax Revenues

In Fiscal Year 2013, the School District began receiving revenues from a tax on casino revenues imposed by the State pursuant to a vote of the electors of the State authorizing the constitutional amendment permitting four casinos to be constructed and operated in the cities of Cincinnati, Cleveland, Columbus, and Toledo.

Of the revenues from that tax, 34% are allocated to school districts in the State under a formula related to the number of pupils. The School District's shares of the proceeds of that tax, established by the constitutional amendment, were as follows in recent Fiscal Years:

Fiscal Year	Amount
2020	$1,114,486
2021	856,073(a)
2022	1,272,549
2023	1,306,898
2024	1,288,074

(a) Reduction due to disruptions related to COVID -19.

SCHOOL DISTRICT DEBT AND OTHER LONG-TERM OBLIGATIONS

The following describes the security for general obligation debt such as the Notes, applicable debt and ad valorem property tax limitations, and outstanding and projected bond and note indebtedness and certain other long-term financial obligations of the School District.

As used in the discussions that follow, the term "BANs" refers to notes issued in anticipation of the issuance of general obligation bonds.

As further described below, the Notes are:

- voted general obligations of the School District (certain overlapping subdivisions also may issue general obligation debt)

- subject to the 9% direct debt limitation but not subject to the indirect debt and related property tax limitation.

The School District is not, and to the knowledge of current School District officials has not in at least the last 50 years been, in default in the payment of debt service on any of the bonds or notes on which the School District is obligor.

Security for General Obligation Debt; Bonds and BANs

The following describes the security for the School District's general obligation debt, such as the voted Notes.

Voted Bonds. The basic security for voted School District general obligation bonds is the authorization by the electors for the Board to levy, and its levy pursuant to constitutional and statutory requirements of, ad valorem taxes, without limitation as to rate or amount, on all real and tangible personal property subject to ad valorem taxation by the Board. These taxes are outside of the ten-mill limitation and are to be sufficient in amount to pay (to the extent not paid from other sources) as they come due the debt charges on the voted bonds (subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities).

The School District has no voted general obligation bonds outstanding.

Unvoted Bonds. The basic security for the limited amount of School District unvoted general obligation bonds (see **School District Debt and Other Long-Term Obligations – Statutory Direct Debt Limitations**) is the Board's ability to levy, and its levy pursuant to constitutional and statutory requirements of, ad valorem taxes on all real and tangible personal property subject to ad valorem taxation by the Board, within the ten-mill limitation described below. These taxes are to be sufficient in amount to pay (to the extent not paid from other sources) as they come due the debt charges on unvoted general obligation bonds. The law provides that the levy necessary for debt charges has priority over any levy for other purposes within that tax limitation; that priority may be subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities. See the discussion under **School District Debt and Other Long-Term Obligations – Indirect Debt and Unvoted Property Tax Limitations** of the ten-mill limitation, and the priority of claim on it for debt charges on unvoted general obligation debt of the School District and all overlapping taxing subdivisions.

The School District has no unvoted general obligation bonds outstanding.

BANs. BANs may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the BANs, or available funds of the School District, or a combination of these sources. While BANs are outstanding, Ohio law requires the levy of ad valorem property taxes in an amount not less than what would have been levied if bonds had been issued without the prior issuance of the BANs. That levy need not actually be collected if payment in fact is to be provided from other sources, such as the proceeds of the bonds anticipated or of renewal BANs. BANs, including renewal BANs, may be issued and outstanding from time to time up to a maximum period of 240 months from the date of issuance of the original notes. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated. Portions of the principal amount of BANs outstanding for more than five years must be retired in amounts at least equal to, and payable not later than, those principal maturities that would have been required if the bonds had been issued at the expiration of the initial five-year period.

The School District has no outstanding BANs except the Outstanding Notes.

Statutory Direct Debt Limitations

The Revised Code provides two debt limitations on general obligation debt that are directly based on tax (assessed) valuation, applicable to all school districts, including the School District.

- The net principal amount of both voted and unvoted debt of the School District, excluding "exempt debt" (discussed below), may not exceed 9% of the total tax (assessed) valuation of all property in the School District as listed and assessed for taxation, except in the case of a "special needs" school district.

- The net principal amount of unvoted debt of the School District, excluding exempt debt, may not exceed 1% of that valuation, as discussed below.

These two limitations, which are referred to as the "direct debt limitations," may be amended from time to time by the General Assembly.

The School District's ability to incur unvoted debt (whether or not exempt from the direct debt limitations) is also restricted by the indirect debt limitation discussed under **Indirect Debt and Unvoted Property Tax Limitations**.

As stated above, the Revised Code provides as a general limitation that the net principal amount of general obligation debt of a school district incurred without a vote of the electors, in general, may not exceed 1% of the school district's total tax valuation. A further general limitation, from which certain energy conservation and exempt debt (discussed below) may be excluded, is 1/10th of 1% of its total tax valuation. The School District at present has no unvoted debt subject to this limitation. School districts may issue unvoted general obligation debt and other debt under certain circumstances for energy conservation programs, which general obligation debt may not exceed 9/10ths of 1% of the school district's tax valuation. The School District at present has no outstanding unvoted debt subject to that limitation. Debt charges on any unvoted debt, unless paid from other sources, must be paid from the millage levied within the ten-mill limitation, resulting in a reduction in money available for operating expenses.

The Notes are voted debt and will not be subject to the unvoted debt limitations.

Certain general obligation debt that the School District may issue is exempt from the 9%, 1/10th of 1%, 9/10^{ths} of 1% and 1% direct debt limitations (exempt debt). Exempt debt includes, without limitation, securities issued to pay final judgments or court-approved settlements, securities issued to acquire school buses and other equipment used in transporting pupils, securities evidencing State solvency assistance loans, and certain unvoted securities issued a school district's share of the basic project cost necessary to participate in a cooperative project with the Ohio Facilities Construction Commission (the Commission) under Chapter 3318 of the Revised Code that are secured by a pledge of proceeds of a school district income tax or a voted property tax levy. In addition, under Section 133.06(I) of the Revised Code, debt issued solely to raise (i) a school district's share of the basic project cost necessary to participate in a cooperative project with the Commission under Chapter 3318 of the Revised Code, (ii) the cost of items designated by that Commission as required locally funded initiatives in connection with such a project, (iii) the cost of other related locally funded initiatives in an amount that does not exceed 50% of the school district's portion of the basic project cost, and (iv) the cost of acquiring sites for such a project, is exempt from the 9% direct debt limitation. BANs issued in anticipation of exempt bonds also are exempt debt. The School District has no such exempt debt outstanding.

In the calculation of debt subject to the direct debt limitations, the amount in a school district's bond retirement fund allocable to the principal amount of nonexempt debt is deducted from gross nonexempt debt. Without consideration of amounts, if any, in the Bond Retirement Fund, and based on outstanding debt and the current tax (assessed) valuation, the School District's voted and unvoted nonexempt debt capacities are:

Limitation(a)	Nonexempt Debt Outstanding*	Additional Debt Capacity Within Limitation*
9% = $313,896,004	$ 27,500,000	$ 283,896,004
.1% = $ 3,487,733	$ 0	$ 3,487,733
.9% = $ 31,389,600	$ 0	$ 31,389,600
1% = $ 34,877,334	$ 0	$ 34,877,334

(a) The School District's current tax (assessed) valuation for purposes of determining its direct debt limitations is $3,487,733,380

This is further detailed in **Debt Table A**.

Indirect Debt and Unvoted Property Tax Limitations

Voted general obligation debt such as the Bonds may be issued by the School District if authorized by a vote of the electors. Ad valorem taxes, without limitation as to amount or rate, to pay debt charges on voted bonds are authorized by the electors at the same time they authorize the issuance of the bonds.

General obligation debt also may be issued by the School District without a vote of the electors, but subject to the 1% and 1/10th and 9/10ths of 1% limitations discussed above, unless it is exempt debt. This unvoted debt may not be issued unless the ad valorem property tax for the payment of debt charges on those bonds (or the bonds in anticipation of which BANs are issued), and all outstanding unvoted general obligation bonds (including bonds in anticipation of which BANs are issued) of the combination of overlapping taxing subdivisions including the School District resulting in the highest tax required for such debt charges, in any year is 10 mills or less per $1.00 of assessed valuation. This indirect debt limitation, the product of what is commonly referred to as the "ten-mill limitation," is imposed by a combination of provisions of the Ohio Constitution and the Revised Code.

The ten-mill limitation is the maximum aggregate millage for all purposes that may be levied on any single piece of property by all overlapping taxing subdivisions without a vote of the electors. The 10 mills are generally allocated pursuant to a statutory formula among certain overlapping taxing subdivisions in the County, including the School District. The School District has levied 4.20 inside mills for at least the last five years. The City has levied Charter millage (in lieu of inside millage) of 10.50 mills for at least the last five years. The County currently levies 2.20 inside mills and has since at least tax year 1998.

Because the School District is restricted in the amount of unvoted debt it can issue, the major impact of the indirect debt limitation generally results from the ability of overlapping political subdivisions to issue unvoted general obligation debt in amounts that require unvoted taxes for the payment of debt charges on that debt to be levied at a rate in excess of the rates within the ten-mill limitation allocated by statutory formula to the subdivisions. The result of a subdivision having to draw on millage to pay debt charges in an amount exceeding its allocated rate within the ten-mill limitation would be to reduce the millage within the ten-mill limitation available to the overlapping subdivisions, including the inside millage then levied by the Board for operating purposes.

Present Ohio law requires the inside millage allocated to a taxing subdivision to be used first for the payment of debt charges on its unvoted general obligation debt, unless provision has been

* Preliminary, subject to change.

made for that payment from other sources, with the balance usable for other purposes. To the extent this inside millage is required for debt charges of a taxing subdivision (which may exceed the formula allocation to that subdivision), the amount that would otherwise be available to that subdivision for general fund purposes is reduced. Because the inside millage that may actually be required to pay debt charges on a subdivision's unvoted general obligation debt may exceed the formula allocation of that millage to the subdivision, the excess reduces the amount of inside millage available to overlapping subdivisions. A law applicable to all Ohio cities and villages, however, requires that any lawfully available receipts from a municipal income tax or from voted property tax levies be allocated to pay debt charges on the municipality's unvoted debt before the formula allocations of the inside millage to overlapping subdivisions can be invaded for that purpose.

In the case of BANs issued in anticipation of unvoted general obligation bonds, the highest estimate of annual debt charges for the anticipated bonds is used to calculate the millage required.

The total millage theoretically required by the County (the only overlapping taxing subdivision that has issued unvoted debt with the highest such total millage requirement) for debt charges on its outstanding unvoted general obligation debt is estimated to be 0.41109 mills for Fiscal Year 2028, the year of the highest potential debt charges. There thus remain 9.58891 mills within the ten-mill limitation that have yet to be allocated to debt charges and that are available to the School District and overlapping subdivisions in connection with the issuance of additional unvoted general obligation debt.

Debt Outstanding

The Debt Tables attached provide information concerning the School District's outstanding debt represented by bonds, School District and overlapping subdivisions general obligation debt allocations, projected debt charges on the School District general obligation debt, including the Notes, and the School District's outstanding general obligation bonds. See **Debt Tables**.

Bond Retirement Fund

The Bond Retirement Fund is the fund from which the School District pays debt charges on its general obligation debt and into which money required to be applied to those payments is deposited.

Special Obligation Debt

As discussed below, a school district may issue special obligation debt that is payable solely from certain anticipated tax revenues or other revenues and not secured by a pledge of the school district's full faith and credit or general taxing power. Special obligation debt is not subject to either the statutory direct debt limitations or to the indirect debt and property tax limitations.

Permanent Improvement Tax Anticipation Notes

A school district may issue notes in anticipation of revenues from a voted permanent improvement tax levy to pay costs of permanent improvements. These tax anticipation notes (TANs) are payable solely from the property tax revenues anticipated.

The School District has no such special obligation debt outstanding.

Cash Flow Financings

The School District may incur special obligation debt for operating purposes, such as current tax revenue anticipation notes or tax anticipation notes, only under certain limited statutory authority.

The School District does not and did not at any time during the past five Fiscal Years have any such debt outstanding.

Lease Purchase Obligations; Certificates of Participation

The Revised Code provides that school districts may enter into "lease-purchase agreements" to finance certain permanent improvements, such as land acquisition, office equipment, motor vehicles and facilities and improvements to facilities for school district purposes. The payments under the lease-purchase agreements usually include principal and interest components, and the rights to receive those payments are sometimes securitized, marketed and sold in the form of certificates of participation. A school district's payment obligations under a lease purchase agreement (lease-purchase obligations) are subject to the annual appropriation of available funds for that purpose by the school district's Board. Lease-purchase payment obligations may be securitized through the issuance of certificates of participation representing fractional interest in the right to receive those payments (Certificates of Participation).

On December 6, 2023, the School District issued its $40,000,000 Certificates of Participation, Series (the Series 2023 Certificates) for the purpose of financing the costs of constructing, enlarging or other improvement, furnishing and equipping, and lease and eventual acquisition of facilities or improvements to facilities, including improvements to the Kenmore High School site.

For additional information concerning the School District's lease purchase obligations, see the Notes to the Fiscal Year 2024 Financial Statements.

To the knowledge of current School District officials the Board has not ever failed to appropriate funds for any School District lease purchase obligations.

Other Long-Term Financial Obligations

The School District has the following other long-term obligations outstanding:

- Operating leases for the district include: district wide copiers, machinery leases on Print Service Department equipment, athletic electronic display scoreboards for athletic fields and gymnasiums, rental leases for space utilization, with the Akron Metropolitan Housing Authorities (AMHA) for the REACH Opportunity Center and SPED classroom training space for student education, storage space for documents associated with the Office of School Improvement and warehouse space due to building moves and redistricting. See the Notes to the Fiscal Year 2024 Financial Statements

- Retirement obligations and liability described under **The School System – Retirement Expenses**.

- Compensated absences obligations identified in Notes to the Fiscal Year 2024 Financial Statements.

The School District has no long-term financial obligations other than those described herein.

Future Financings

The School District currently plans to issue the balance ($55,000,000*) of the bonds approved by the voters at the election held on November 5, 2024, in [late 2025]/[early 2026]. At this time, the Board has no other plans to undertake or participate in any other new major capital improvement projects for which it plans to borrow additional money or enter into long-term financial undertakings, or to issue any current revenue or tax anticipation notes.

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* Preliminary, subject to change.

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of those statements have been or will be realized. Information in this Official Statement has been derived by the School District from official and other sources and is believed by the School District to be accurate and reliable. Information other than that obtained from official records of the School District has not been independently confirmed or verified by the District and its accuracy is not guaranteed.

Neither this Official Statement nor any statement that may have been or that may be made orally or in writing is to be construed as or as part of a contract with the original purchasers or subsequent holders or Beneficial Owners of the Bonds.

This Official Statement has been prepared and delivered by the School District and signed for and on behalf of the Board and the School District by the officials identified below.

AKRON CITY SCHOOL DISTRICT, OHIO

By: ____
President, Board of Education

____
Superintendent

____
CFO/Treasurer, Board of Education

DEBT TABLE A

Principal Amounts of Outstanding General Obligation (GO) Debt; Leeway for Additional Debt within Direct Debt Limitations(a)

A.	Total GO debt (including the Notes):			$27,500,000
B.	Exempt GO debt:			$0
C.	Total nonexempt GO debt [A minus B]:			$27,500,000
D.	Unvoted GO debt limitations:	1% of tax (assessed) valuation	1/10th of 1% of tax (assessed) valuation	9/10ths of 1% of tax (assessed) valuation
		$34,877,334	$3,487,733	$31,389,600
E.	Total nonexempt limited tax bonds and notes outstanding:			
	Bonds	$ 0	$ 0	$ 0
	Notes	0	0	0
F.	Debt leeway within unvoted debt limitations [D minus E]:	$34,877,334	$3,487,733	$31,389,600
G.	9% of tax (assessed) valuation (voted and unvoted debt limitation):			$313,896,004
H.	Total nonexempt bonds and notes outstanding:			
	Bonds		$0	$0
	Notes		$27,500,000	$27,500,000
I.	Debt leeway within 9% debt limitation [G minus H]:			$285,396,004*

* Debt leeway in this table determined without considering money in the Bond Retirement Fund.

(a) The District's current tax (assessed) valuation for purposes of determining its direct debt limitations is $3,487,733,380. See **School District Debt and Other Long-Term Obligations – Statutory Direct Debt Limitations**.

DEBT TABLE B

Various School District and Overlapping GO Debt Allocations (Principal Amounts)

	Amount	Per Capita(a)	% of School District's Current Assessed Valuation(b)
Total School District GO Debt (all exempt and non-exempt)	$ 27,500,000	$ 151.82	0.79%
Highest Total Overlapping GO Debt(c)	102,918,231	568.19	2.95

(a) Based on 2024 (estimated) census population of 181,131.

(b) The School District's current assessed valuation is $3,487,733,380.

(c) Includes, in addition to "Total School District GO Debt," allocations of total GO debt of overlapping debt issuing subdivisions (as of June 1, 2025), resulting in the calculation of highest total overlapping debt based on percent of tax (assessed) valuation of territory of the subdivisions located within the School District (% figures are resulting percent of total debt of subdivisions allocated to the School District in this manner), as follows:

$	12,396,731	County (18.81%);
$	60,521,500	City (89.39%); and
$	54,936	Copley Township (0.28%)

Source of tax (assessed) valuation and confirmation of GO debt figures for overlapping subdivisions: OMAC and the County Fiscal Officer.

DEBT TABLE C

Debt Charges Requirements on School District GO Debt

Year	The Notes*	Total, All payable from Unlimited Ad Valorem Taxes*
2026	$	
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
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2062		
2063		

* Assuming all BANs are retired with bonds having both first principal and first interest payments in 2026, being paid serially and over the number of years at the estimated interest rates referred to in the resolution authorizing the BANs. See also **Debt Table D**.

DEBT TABLE D

Outstanding GO Bonds and Special Obligation (Non-GO) Debt

Outstanding General Obligation Bonds

The following debt is reflected in **Debt Tables A, B** and **C**.

Issue	Date of Issuance	Final Maturity	Original Principal Amount	Outstanding Principal Amount
The Notes*	________	2063	$27,500,000	$27,500,000

Series 2023 Certificates

Issue	Date of Issuance	Final Maturity	Original Principal Amount	Outstanding Principal Amount
Series 2023 Certificates	12/06/2023	2053	$40,000,000	$39,290,000

* Preliminary, subject to change.

DEBT TABLE E

Debt Charges on Special Obligation (Non-GO) Debt

Calendar Year	Series 2023 Certificates Lease Payment Amounts
2024	$1,318,872.22
2025	2,712,650.00
2026	2,101,900.00
2027	2,627,275.00
2028	2,623,275.00
2029	2,622,650.00
2030	2,625,150.00
2031	2,620,775.00
2032	2,624,400.00
2033	2,620,900.00
2034	2,620,275.00
2035	2,617,400.00
2036	2,617,150.00
2037	2,614,400.00
2038	2,614,025.00
2039	2,609,412.50
2040	2,610,231.25
2041	2,607,637.50
2042	2,606,500.00
2043	2,606,556.25
2044	2,602,675.00
2045	2,601,750.00
2046	2,598,750.00
2047	2,596,625.00
2048	2,595,125.00
2049	2,594,000.00
2050	2,593,000.00
2051	2,587,000.00
2052	2,585,750.00
2053	5,163,875.00

APPENDIX A

Historical Revenues and Expenditures General Operating Funds for Fiscal Years 2020 through 2024 and Forecasted for Fiscal Year 2025(a)(b)(c)

The figures in the table below are based on the School District's five-year financial forecasts as reported to the State as required by Section 5705.391 of the Revised Code (the most recent of which was last updated in May 2025).

	2020	2021	2022	2023	2024	Forecasted 2025
Revenue:						
General Property Tax (Real Estate)	$105,646,024	$105,192,445	$110,659,196	$114,203,270	$113,430,933	$127,953,351
Tangible Personal Property Tax	11,077,439	11,948,059	12,861,938	13,683,112	14,445,049	16,241,072
Unrestricted Grants-in-Aid(d)	175,445,304	177,261,112	134,994,080	141,242,855	153,766,423	159,120,593
Restricted Grants-in-Aid(d)	26,506,681	26,942,244	30,672,713	35,565,374	36,572,453	33,108,560
Property Tax Allocation	14,079,172	13,765,272	13,435,598	13,318,175	13,002,739	13,155,183
All Other Operating Revenues(e)	15,655,493	13,887,794	14,771,799	13,961,728	17,447,902	16,245,217
Total Revenues	$348,410,113	$348,996,926	$317,395,324	$331,974,513	$348,665,498	$365,823,976
Other Financing Sources:						
Operating Transfers-In	22,462	21,739	50,658	7,246	3,947	18,455
All Other Financing Sources	29,590	65,470	1,831,624	10,380,735(f)	34,838,420(f)	128,320
Total Other Financing Sources	52,052	87,209	1,882,282	10,387,980	34,842,367	146,776
Total Revenues and Other Financing Sources	$348,462,165	$349,084,135	$319,277,606	$342,362,493	$383,507,864	$365,970,752
Expenditures:						
Personnel Services(e)	$177,263,323	$163,233,395	$194,917,214	$211,733,172	$220,428,174	$220,164,183
Employees' Retirement/Insurance Benefits	70,157,998	66,637,646	76,154,753	79,929,277	91,096,637	89,944,590
Purchased Services	76,706,591	70,668,035	30,302,368	35,425,882	39,746,138	39,741,255
Supplies and Materials	10,486,838	4,569,095	5,447,636	12,628,991	9,018,086	14,513,268
Capital Outlay	5,194,023	3,250,177	6,021,735	6,971,360	5,746,313	10,176,794
Intergovernmental & Debt Service	0	0	0	0	0	3,022,197
Other Objects	5,018,089	3,323,484	4,513,704	3,866,496	5,844,157	6,309,181
Total Expenditures	$344,826,862	$311,681,832	$317,357,410	$350,555,178	$371,879,505	$383,871,468
Other Financing Uses:						
Operating Transfers-Out	404,873	118,574	236,434	610,635	451,200	575,989
All Other Financing Uses	0	0	0	0	87,816	0
Total Other Financing Uses	404,873	118,574	236,434	610,635	539,016	575,989
Total Expenditures and Other Financing Uses	$345,231,735	$311,800,406	$317,593,844	$351,165,814	$372,418,522	$384,447,457
Excess of Rev & Other Financing Sources over (under) Expenditures and Other Financing Uses	3,230,430	37,283,729	1,683,762	(8,803,320)	11,089,343	(18,476,705)
Cash Balance July 1 - Excl Proposed Renewal/Replacement and New Levies	$ 62,100,659	$ 65,331,089	$102,614,818	$104,298,592	$95,495,272	$106,584,614
Cash Balance June 30	$ 65,331,089	$102,614,818	$104,298,580	$ 95,495,272	$106,584,614	$88,107,909

(a) The School District's Operating Funds include its General Fund, Disadvantaged Pupil Impact Fund/Poverty Based Assistance Fund and Restricted Grants-in-Aid, as applicable.
(b) Numbers may not foot due to rounding.
(c) See **COVID-19 Pandemic**.
(d) Material decrease in "Unrestricted Grants-in-Aid" is due to an adjustment in State reporting standards, commencing in Fiscal Year 2022, requiring that receipt of certain State funding, including but not limited to, Disadvantaged Pupil Impact Aid, Career Technical, Gifted Students, English Learners and Student Wellness and Success funding, be reflected in "Restricted Grants-in-Aid" instead of in "Unrestricted Grants-in-Aid," as was the case in prior fiscal years; "Restricted Grants-in-Aid" amounts also reflect a correlated increase.
(e) Material decrease in "Personnel Services" expenditures in Fiscal Year 2021 is attributed to reclassifying some teacher and principal salaries from the General Fund to the ESSER Fund. These salaries were paid during a period of time when the entire School District was under a remote learning environment.

(f) Material increase in "All Other Financing Sources" in Fiscal Year 2023 and the forecasted increase in Fiscal Year 2024 is due to an anticipated reclassification of additional teacher salaries from the period of time when the entire School District was under a remote learning environment. This reclassification would reclassify Fiscal Year 2021 teacher salaries from the General Fund to the ESSER Fund. ESSER Fund requirements permit school districts to cover past salary expenditures back to March 13, 2020 for remote education as a response to the coronavirus pandemic.

APPENDIX B-1

Financial Report (Cash Basis All-Funds Summary) for Fiscal Year 2023(a)

DESCRIPTION	BEGINNING BALANCE	RECEIPTS	EXPENDITURES	ENDING BALANCE
General Fund	$104,298,592	$342,362,493	$351,165,814	$95,495,272
Bond Retirement	13,007	0	0	13,007
Permanent Improvement	3,179	4,491,273	4,492,155	2,297
Locally Funded Initiatives	13,963,530	502,813	865,982	13,600,361
Food Service	6,647,591	14,110,830	15,132,579	5,625,842
Special Trust	148,920	30,978	(414)	180,311
Endowment	310,019	2,915	2,000	310,934
Uniform School Supplies	14,768	20	2,111	12,677
Ohio Facilities Construction	5,339,573	2,116,395	4,224,976	3,230,992
Consumer Services – Rotary	256,829	226,594	207,692	275,731
Internal Services – Rotary	348	904	(2727)	3,980
Public School Support	574,778	301,104	286,740	589,142
Other Local Grants	1,529,218	2,858,823	2,700,428	1,687,613
Warehouse	71,638	881,816	953,455	0
District Agency	2,930,051	34,648,597	32,124,312	5,454,336
Liability Self-Insurance Reserve	61,027	250,000	170,423	140,604
Health Self-Insurance	14,510,386	55,540,172	59,104,368	10,946,190
Workers' Compensation	6,616,805	0	1,048,614	5,568,191
Underground Storage Tanks	11,000	0	0	11,000
Classroom Facilities Maintenance	14,340,965	2,388,453	3,333,757	13,395,661
Severance	2,731,324	560,557	1,120,474	2,171,407
Student Managed Activity	113,041	81,651	75,705	118,988
District Managed Activity	454,584	892,621	815,606	531,599
Auxiliary Services	320,390	2,048,747	2,217,993	151,145
Early Childhood Education	(175,590)	1,602,958	1,621,232	(193,864)
Ohio K-12 Network Subsidy	10,705	77,400	86,880	1,225
High Schools That Work	(6,365)	14,645	10,000	(1,720)
Misc. State Grants	89,147	384,272	432,631	40,788
ESSER	(8,313,566)	27,479,628	38,888,916	(19,722,854)
21st Century	0	185,597	199,400	(13,803)
IDEA-B Special Education	(627,959)	6,121,431	6,386,888	(893,415)
Carl D. Perkins Secondary	(182,957)	850,267	822,859	(155,549)
Title I Supplemental School Improvement	(9,666)	497,335	675,958	(188,289)
Title I School Improvement 1003(g)	(461,253)	461,253	0	0
Fresh Fruits and Vegetables Program	(64,284)	471,128	409,811	(2,967)
Title III Language Instruction English Learner	(44,793)	270,640	259,306	(33,459)
Title I/McKinney-Vento Homeless Youth	(1,933,244)	17,047,728	18,399,399	(3,284,915)
Title IV Student Support & Academic Enrich.	(126,914)	810,945	775,538	(91,506)
IDEA Early Childhood Special Education	(26,671)	177,358	157,299	(6,613)
Title II Supporting Effective Instruction	(196,370)	1,576,546	1,548,881	(168,705)
Misc. Federal Grants	(96,110)	2,580,577	4,251,614	(1,767,146)
TOTAL	$163,095,675	$524,907,464	$554,968,652	$133,034,487

(a) Numbers may not foot due to rounding.

APPENDIX B-2

Financial Report (Cash Basis All-Funds Summary) for Fiscal Year 2024(a)

DESCRIPTION	BEGINNING BALANCE	RECEIPTS	EXPENDITURES	ENDING BALANCE
General Fund	$95,495,272	$383,507,864	$372,418,522	$106,584,614
Bond Retirement	13,007	0	0	13,007
Permanent Improvement	2,297	4,516,801	4,517,508	1,590
Locally Funded Initiatives	13,600,361	40,823,878	646,437	53,777,802
Food Service	5,625,842	14,836,619	15,838,550	4,623,910
Special Trust	180,311	33,382	23,025	190,668
Endowment	310,934	8,421	1,500	317,855
Uniform School Supplies	12,677	17,940	14,991	15,625
Ohio Facilities Construction	3,230,992	230,374	11,875	3,449,491
Consumer Services – Rotary	275,731	268,024	230,667	313,088
Internal Services – Rotary	3,980	1,663	3,319	2,323
Public School Support	589,142	389,834	387,573	591,403
Other Local Grants	1,687,613	3,202,690	4,019,532	870,771
Warehouse	0	892,545	804,810	87,735
District Agency	5,454,336	35,018,484	37,497,799	2,975,021
Liability Self-Insurance Reserve	140,604	0	28,257	112,347
Health Self-Insurance	10,946,190	65,645,915	59,487,789	17,104,316
Workers' Compensation	5,568,191	0	594,735	4,973,456
Underground Storage Tanks	11,000	0	0	11,000
Classroom Facilities Maintenance	13,395,661	2,595,892	2,362,393	13,629,159
Severance	2,171,407	609,915	1,617,117	1,164,205
Student Managed Activity	118,988	291,021	257,568	152,441
District Managed Activity	531,599	1,047,124	1,000,860	577,864
Auxiliary Services	151,145	1,109,012	1,055,980	204,177
Early Childhood Education	(193,864)	1,697,697	1,683,393	(179,559)
Ohio K-12 Network Subsidy	1,225	83,911	84,785	352
High Schools That Work	(1,720)	1,720	0	0
Misc. State Grants	40,788	406,371	230,872	216,287
ESSER	(19,722,854)	27,409,434	39,718,062	(32,031,481)
21st Century	(13,803)	629,999	791,351	(175,155)
IDEA-B Special Education	(893,415)	6,796,121	6,479,055	(576,350)
Carl D. Perkins Secondary	(155,549)	860,935	784,383	(78,997)
Title I Supplemental School Improvement	(188,289)	1,059,708	1,131,906	(260,488)
Fresh Fruits and Vegetables Program	(2,967)	508,200	505,233	0
Title III Language Instruction English Learner	(33,459)	302,229	290,747	(21,977)
Title I/McKinney-Vento Homeless Youth	(3,284,915)	21,566,572	19,434,804	(1,153,147)
Title IV Student Support & Academic Enrich.	(91,506)	1,218,127	1,228,017	(101,396)
IDEA Early Childhood Special Education	(6,613)	143,507	146,886	(9,992)
Title II Supporting Effective Instruction	(168,705)	1,152,492	665,297	318,490
Misc. Federal Grants	(1,767,146)	4,978,276	3,336,418	(125,289)
TOTAL	$133,034,487	$623,862,699	$579,332,019	$177,565,167

(a) Numbers may not foot due to rounding.

APPENDIX C-1

Audited Basic Financial Statements from the School District's Financial Report for Fiscal Year 2023

OHIO AUDITOR OF STATE
KEITH FABER

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

INDEPENDENT AUDITOR'S REPORT

Akron City School District
Summit County
10 North Main Street
Akron, Ohio 44308

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Receipts and Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Receipts and Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

March 25, 2024

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Akron City School District
Statement of Net Position
June 30, 2023

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents	$ 37,734,678
Cash and cash equivalents in segregated accounts	337,416
Investments in segregated accounts	89,158,560
Receivables:	
Accounts	1,414,238
Intergovernmental	42,891,637
Revenue in lieu of taxes	3,129,274
Taxes	160,740,246
Accrued interest	423,899
Due from the City of Akron	9,102,792
Prepaid items	244,189
Inventory held for resale	584,514
Materials and supplies inventory	733,002
Net OPEB asset	35,427,370
Capital assets:	
Nondepreciable capital assets	6,773,043
Depreciable capital assets	432,341,727
Accumulated depreciation	(106,162,187)
Total capital assets	332,952,583
Total assets	714,874,398
Deferred outflows of resources:	
Deferred expense	30,000,000
Pension	100,414,080
OPEB	7,918,010
Total deferred outflows of resources	138,332,090
Liabilities:	
Accounts payable	1,976,874
Accrued wages	23,567,683
Retainage payable	10,308
Intergovernmental payable	40,537,754
Matured compensated absences payable	588,666
Undistributed monies	562,582
Claims payable	7,223,119
Unearned revenue	5,834,147
Due to the City of Akron	6,192,495
Long-term liabilities:	
Due within one year	3,556,326
Due in more than one year:	
Net pension liability	376,569,649
Net OPEB liability	18,958,896
Other amounts due in more than one year	44,586,733
Total liabilities	530,165,232
Deferred inflows of resources:	
Property taxes	103,736,846
Payments in lieu of taxes	3,129,274
Pension	31,563,133
OPEB	51,515,144
Total deferred inflows of resources	189,944,397

(Continued)

Akron City School District
Statement of Net Position
June 30, 2023
(Continued)

Net position:	
Net investment in capital assets	332,952,583
Restricted for:	
Capital projects	28,314,779
Debt service	13,007
OPEB	4,985,450
Other purposes	23,034,051
Unrestricted (deficit)	(256,203,011)
Total net position	$ 133,096,859

See accompanying notes to the basic financial statements.

Akron City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular	$ 147,751,951	$ 1,556,994	$ 26,591,760	$ -	$ (119,603,197)
Special	66,586,599	166,544	36,347,980	-	(30,072,075)
Vocational	13,558,373	367,343	4,380,710	-	(8,810,320)
Adult/continuing	224,443	146,529	10,016	-	(67,898)
Other	12,972,172	-	12,889,787	-	(82,385)
Support services:					
Pupils	32,296,109	-	5,578,256	-	(26,717,853)
Instructional staff	31,549,126	837,068	14,701,034	-	(16,011,024)
Board of education	209,160	-	5,575	-	(203,585)
Administration	31,122,849	-	1,888,901	-	(29,233,948)
Fiscal	6,778,873	-	1,368,447	-	(5,410,426)
Business	2,994,982	-	29,308	-	(2,965,674)
Operation and maintenance of plant	53,010,506	117,590	4,895,813	783,269	(47,213,834)
Pupil transportation	14,828,843	417,000	265,605	-	(14,146,238)
Central	13,323,473	560,557	1,233,611	-	(11,529,305)
Operation of non-instructional services	15,746,522	-	4,657,615	-	(11,088,907)
Operation of food services	4,778,995	210,063	14,925,013	-	10,356,081
Extracurricular activities	6,085,413	925,984	1,552,484	-	(3,606,945)
Total governmental activities	$ 453,818,389	$ 5,305,672	$ 131,321,915	$ 783,269	(316,407,533)

General Revenues:	
Property taxes levied for:	
General purposes	144,287,535
Capital outlay	4,534,073
Grants and entitlements not restricted to specific programs	157,349,636
Payment in lieu of taxes	5,621,109
Investment earnings	2,037,194
Miscellaneous	1,912,669
Total general revenues	315,742,216
Change in net position	(665,317)
Net position beginning of year	133,762,176
Net position end of year	$ 133,096,859

See accompanying notes to the basic financial statements.

Akron City School District

Balance Sheet

Governmental Funds

June 30, 2023

	General	Permanent Improvement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	$ 6,298,911	$ 2,297	$ 3,233,793	$ 22,328,195	$ 31,863,196
Cash and cash equivalents:					
In segregated accounts	86,071	-	8,591	231,300	325,962
Investments in segregated accounts	65,695,630	-	-	12,823,292	78,518,922
Receivables:					
Taxes	155,840,340	4,899,906	-	-	160,740,246
Accounts	811,199	-	-	590,923	1,402,122
Intergovernmental	3,342,325	-	6,896,185	32,653,127	42,891,637
Revenue in lieu of taxes	3,129,274	-	-	-	3,129,274
Interfund	26,424,805	-	-	-	26,424,805
Accrued interest	192,472	-	9,758	149,142	351,372
Due from the City of Akron	-	-	9,102,792	-	9,102,792
Inventory held for resale	-	-	-	584,514	584,514
Materials and supplies inventory	46,507	-	-	-	46,507
Total assets	261,867,534	4,902,203	19,251,119	69,360,493	355,381,349
Deferred outflows of resources:					
Deferred expense	-	30,000,000	-	-	30,000,000
Total assets and deferred outflows of resources	$ 261,867,534	$ 34,902,203	$ 19,251,119	$ 69,360,493	$ 385,381,349
Liabilities:					
Accounts payable	$ 777,683	$ 249	$ -	$ 1,149,063	$ 1,926,995
Accrued wages	22,413,667	-	-	1,154,016	23,567,683
Interfund payable	-	-	-	26,424,805	26,424,805
Intergovernmental payable	10,186,259	30,000,000	-	351,495	40,537,754
Matured compensated absences payable	588,666	-	-	-	588,666
Undistributed monies	562,582	-	-	-	562,582
Unearned revenue	5,816,779	-	-	17,368	5,834,147
Retainage payable	-	-	8,591	1,717	10,308
Due to the City of Akron	-	-	-	6,192,495	6,192,495
Total liabilities	40,345,636	30,000,249	8,591	35,290,959	105,645,435
Deferred inflows of resources:					
Property taxes	100,480,283	3,256,563	-	-	103,736,846
Payments in lieu of taxes	3,129,274	-	-	-	3,129,274
Unavailable revenue	1,697,094	-	6,896,185	5,934,341	14,527,620
Unavailable revenue - delinquent property taxes	29,692,943	893,906	-	-	30,586,849
Total deferred inflows of resources	134,999,594	4,150,469	6,896,185	5,934,341	151,980,589
Fund balances:					
Nonspendable	46,507	-	-	281,304	327,811
Restricted	-	751,485	12,346,343	30,120,286	43,218,114
Committed	1,593,741	-	-	-	1,593,741
Assigned	37,873,503	-	-	-	37,873,503
Unassigned (deficit)	47,008,553	-	-	(2,266,397)	44,742,156
Total fund balances	86,522,304	751,485	12,346,343	28,135,193	127,755,325
Total liabilities, deferred inflows of resources and fund balances	$ 261,867,534	$ 34,902,203	$ 19,251,119	$ 69,360,493	$ 385,381,349

See accompanying notes to the basic financial statements.

Akron City School District

Reconciliation of Total Governmental Fund Balances to

Net Position of Governmental Activities

June 30, 2023

Total governmental funds balances		$ 127,755,325
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.		332,952,583
Other long-term assets that are not available to pay for current-period expenditures and therefore are unavailable revenue in the funds:		
Property taxes	$ 30,586,849	
Charges for services	34,149	
Intergovernmental	12,445,368	
Tuition and fees	1,570,680	
Rent	73,888	
Gifts and donations	287,259	
Radio station charges for services	102,121	
Miscellaneous	14,155	
Total		45,114,469
Internal service funds are used by management to charge the costs of insurance, central supplies and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		10,264,903
The net pension liability and net OPEB liability are not due and payable in the current period; therefore, the liability, the asset and related deferred inflows/outflows are not reported in the funds:		
Deferred outflows - pension	$ 100,414,080	
Deferred inflows - pension	(31,563,133)	
Net pension liability	(376,569,649)	
Deferred outflows - OPEB	7,918,010	
Deferred inflows - OPEB	(51,515,144)	
Net OPEB liability	(18,958,896)	
Net OPEB asset	35,427,370	
Total		(334,847,362)
Long-term liabilities that are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(48,143,059)
Net position of governmental activities		$ 133,096,859

See accompanying notes to the basic financial statements.

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

	General	Permanent Improvement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 144,327,754	$ 3,143,216	$ -	$ 1,392,197	$ 148,863,167
Intergovernmental	192,531,898	388,829	1,883,482	92,055,944	286,860,153
Interest	1,277,476	3,388	240,201	1,065,550	2,586,615
Tuition and fees	2,176,593	-	-	13	2,176,606
Extracurricular activities	286,638	-	-	591,899	878,537
Gifts and donations	62,510	-	-	1,377,871	1,440,381
Charges for services	390,380	-	-	1,025,258	1,415,638
Rent	107,648	-	-	-	107,648
Payment in lieu of taxes	7,153,294	-	-	-	7,153,294
Miscellaneous	2,609,131	-	-	16,894	2,626,025
Total revenues	350,923,322	3,535,433	2,123,683	97,525,626	454,108,064
Expenditures:					
Current:					
Instruction:					
Regular	118,568,720	-	-	21,931,668	140,500,388
Special	60,480,621	-	-	4,324,340	64,804,961
Vocational	11,502,074	-	-	1,197,025	12,699,099
Adult/continuing	220,475	-	-	8,116	228,591
Other	684,620	-	-	12,061,097	12,745,717
Support services:					
Pupils	25,960,703	-	-	5,150,530	31,111,233
Instructional staff	15,307,517	-	-	15,081,890	30,389,407
Board of education	208,004	-	-	5,329	213,333
Administration	28,321,153	-	-	1,755,697	30,076,850
Fiscal	5,278,724	99,076	-	1,388,196	6,765,996
Business	2,814,087	-	-	22,291	2,836,378
Operation and maintenance of plant	38,319,424	3,001,131	415,769	6,540,396	48,276,720
Pupil transportation	14,303,518	-	-	226,811	14,530,329
Central	11,944,987	-	-	1,195,792	13,140,779
Operation of non-instructional services	222,813	-	-	4,418,241	4,641,054
Operation of food services	-	-	-	15,903,992	15,903,992
Extracurricular activities	3,930,824	-	-	2,196,260	6,127,084
Capital outlay	1,453,300	-	1,669,482	3,746,157	6,868,939
Total expenditures	339,521,564	3,100,207	2,085,251	97,153,828	441,860,850
Excess of revenues over (under) expenditures	11,401,758	435,226	38,432	371,798	12,247,214
Other financing sources (uses):					
Transfers in	6,703	42,046	-	300,000	348,749
Transfers out	(603,390)	-	-	(6,703)	(610,093)
Total other financing sources (uses)	(596,687)	42,046	-	293,297	(261,344)
Net change in fund balances	10,805,071	477,272	38,432	665,095	11,985,870
Fund balances beginning of year	75,717,233	274,213	12,307,911	27,470,098	115,769,455
Fund balances end of year	$ 86,522,304	$ 751,485	$ 12,346,343	$ 28,135,193	$ 127,755,325

See accompanying notes to the basic financial statements.

Akron City School District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2023

Net change in fund balances - total governmental funds		$ 11,985,870
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 capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital asset additions	$ 6,868,939	
Depreciation expense	(7,808,240)	
Excess of net capital asset additions over depreciation expense		(939,301)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(548,759)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These activities consist of:		
Property taxes	$ (41,507)	
Charges for services	10,001	
Intergovernmental	273,363	
Payments in lieu of taxes	(1,532,185)	
Tuition and fees	(34,516)	
Rent	9,942	
Gifts and donations	91,480	
Radio station charges for services	21,873	
Net change in deferred inflows of resources during the year		(1,201,549)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
Pension		34,166,569
OPEB		711,120
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability and OPEB asset are reported as pension/OPEB expense in the statement of activities.		
Pension		(41,096,867)
OPEB		8,300,458
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Compensated absences		(7,726,617)
The internal service fund used by management to charge the costs of insurance, central supplies and workers' compensation to individual funds are not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.		(4,316,241)
Change in net position of governmental activities		$ (665,317)

See accompanying notes to the basic financial statements.

Akron City School District

Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 123,692,708	$ 124,431,037	$ 127,897,642	$ 3,466,605
Intergovernmental	190,332,578	190,332,578	191,234,819	902,241
Interest	525,321	525,321	1,586,283	1,060,962
Tuition and fees	1,905,607	1,905,607	1,767,454	(138,153)
Gifts and donations	2,289	6,295	10,284	3,989
Charges for services	372,730	405,768	402,223	(3,545)
Rent	22,603	22,603	46,348	23,745
Extracurricular activities	-	189,498	189,498	-
Payment in lieu of taxes	4,421,158	4,421,158	7,153,294	2,732,136
Miscellaneous	507,366	507,366	1,913,264	1,405,898
Total revenues	321,782,360	322,747,231	332,201,109	9,453,878
Expenditures:				
Current:				
Instruction:				
Regular	121,759,587	128,549,548	132,427,047	(3,877,499)
Special	59,017,204	61,289,891	60,098,165	1,191,726
Vocational	11,502,293	12,150,981	11,836,064	314,917
Adult/continuing	192,744	203,755	222,225	(18,470)
Other	785,778	864,898	690,370	174,528
Support services:				
Pupils	25,833,426	27,049,970	26,238,262	811,708
Instructional staff	16,566,919	17,379,250	15,486,061	1,893,189
Board of education	147,493	272,197	217,166	55,031
Administration	29,776,182	30,558,290	28,409,882	2,148,408
Fiscal	7,635,986	7,635,986	5,305,410	2,330,576
Business	2,992,658	3,309,574	3,256,094	53,480
Operation and maintenance of plant	36,604,745	36,604,745	33,920,543	2,684,202
Pupil transportation	16,034,846	17,804,817	16,486,322	1,318,495
Central	10,714,971	11,229,070	11,038,588	190,482
Operation of non-instructional services	184,891	198,185	215,024	(16,839)
Extracurricular activities	3,633,472	4,256,132	3,890,703	365,429
Capital outlay	3,395,170	8,597,134	7,697,653	899,481
Total expenditures	346,778,365	367,954,423	357,435,579	10,518,844
Excess of revenues over (under) expenditures	(24,996,005)	(45,207,192)	(25,234,470)	19,972,722
Other financing sources (uses):				
Proceeds from the sale of capital assets	25,877	25,877	11,318	(14,559)
Refund of prior year expenditures	11,619,904	11,619,904	10,369,417	(1,250,487)
Transfers in	11,489	11,489	7,246	(4,243)
Transfers out	(600,000)	(700,538)	(611,174)	89,364
Total other financing sources (uses)	11,057,270	10,956,732	9,776,807	(1,179,925)
Net change in fund balance	(13,938,735)	(34,250,460)	(15,457,663)	18,792,797
Fund balances at beginning of year	94,366,412	94,366,412	94,366,412	-
Prior year encumbrances appropriated	10,200,299	10,200,299	10,200,299	-
Fund balances at end of year	$ 90,627,976	$ 70,316,251	$ 89,109,048	$ 18,792,797

See accompanying notes to the basic financial statements.

Akron City School District
Statement of Net Position
Proprietary Fund
June 30, 2023

		Internal Service Funds
Assets:		
Equity in pooled cash and cash equivalents	$	5,871,482
Cash and cash equivalents in segregated accounts		11,454
Investments in segregated accounts		10,639,638
Accounts receivable		12,116
Accrued interest receivable		72,527
Prepaid items		244,189
Materials and supplies inventory		686,495
Total assets	$	17,537,901
Liabilities:		
Accounts payable	$	49,879
Claims payable		7,223,119
Total liabilities		7,272,998
Net position:		
Unrestricted		10,264,903
Total liabilities and net position	$	17,537,901

See accompanying notes to the basic financial statements.

Akron City School District
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2023

	Internal Service Funds
Operating revenues:	
Charges for services	$ 56,242,792
Operating expenses:	
Purchased services	6,131,035
Materials and supplies	866,159
Claims	53,034,785
Other	1,034,955
Total operating expenses	61,066,934
Operating loss	(4,824,142)
Nonoperating revenues:	
Interest	246,557
Income before transfers	(4,577,585)
Transfers in	261,344
Change in net position	(4,316,241)
Net position beginning of year	14,581,144
Net position end of year	$ 10,264,903

See accompanying notes to the basic financial statements.

Akron City School District

Statement of Cash Flows

Proprietary Fund

For the Fiscal Year Ended June 30, 2023

	Self Insurance
Cash flows from operating activities:	
Cash received from interfund services	$ 56,247,870
Cash payments to suppliers for goods and services	(7,456,905)
Cash payments for claims	(52,741,055)
Cash payments for other operating expenses	(1,078,900)
Net cash used for operating activities	(5,028,990)
Cash flows from noncapital financing activities:	
Transfer in	261,344
Net cash provided by noncapital financing activities	261,344
Cash flows from investing activities:	
Interest on investments	191,361
Sale of investments	5,333,099
Purchase of investments	(5,575,589)
Net cash provided by investing activities	(51,129)
Net decrease in cash and cash equivalents	(4,818,775)
Cash and cash equivalents at beginning of year	10,701,711
Cash and cash equivalents at end of year	$ 5,882,936
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	$ (4,824,142)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Change in assets and liabilities:	
(Increase) decrease in assets:	
Accounts receivable	5,078
Prepaid items	(25,925)
Materials and supplies inventory	(85,891)
Increase (decrease) in liabilities:	
Accounts payable	(391,840)
Claims payable	293,730
Total adjustments	(204,848)
Net cash used for operating activities	$ (5,028,990)

See accompanying notes to the basic financial statements.

Note 1 – Description of the School District and Reporting Entity

The Akron City 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 seven 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 1847 through the consolidation of existing land areas and school districts. The School District serves an area of approximately 54.4 square miles and is located in Summit County, and is within the City of Akron. The School District is the sixth largest in the State of Ohio (among 951 public school districts and community schools) in terms of enrollment. It is staffed by 500 full-time classified employees, 1,712 full-time certificated personnel and 132 administrative employees who provide services to 20,195 students and other community members. The School District currently operates 45 instructional buildings, three vacant buildings, three administrative buildings and one garage.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the basic 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. The following activities are included within the reporting entity:

> *Non-Public Schools* - Within the School District boundaries, St. Anthony of Padua School, St. Mary School, Julie Billiart, St. Sebastian School, St. Vincent DePaul Elementary, Our Lady of Elms School, Archbishop Hoban High School, and St. Vincent - St. Mary High School are operated through the Cleveland Catholic Diocese. Arlington Christian and Emmanuel Christian Academy are operated as private schools. Current State legislation provides funding to these non-public schools. These monies are received and disbursed on behalf of the non-public schools by the Treasurer of the School District, as directed by the non-public schools. These State transactions are reported as a governmental activity 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 does not have any component units.

The School District is associated with the Ohio Schools Council, which is defined as a jointly governed organization. Jointly governed organizations are governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility by the participating governments. Information regarding this organization is presented in Note 21.

Note 2 – Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses.

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

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

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. The funds of the School District are divided into two categories: governmental and proprietary.

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

> ***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.
>
> ***Permanent Improvement Fund*** The permanent improvement capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.
>
> ***Classroom Facilities Capital Fund*** The classroom facilities capital projects fund accounts for financial resources received and expended in connection with contracts entered into by the School District and the Ohio Facilities Construction Commission for the construction and renovation of school buildings.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Fund Type Proprietary funds focus on the determination of operating income, changes in net position, financial position and cash flows and are classified as either enterprise or internal service. The School District only has internal service funds.

> ***Internal Service Funds*** The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost-reimbursement basis. The School District's internal service funds account for the operation of the School District's central warehouse that provides goods to other departments and schools in the School District, the operation of the School District's self-insurance program for employee health benefits, a reserve established to pay for liability insurance claims over the School District's self-insured retention, and the operation of the School District's Workers' Compensation Retrospective Rating Plan.

C. Measurement Focus

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

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

Like the government-wide statements, the internal service funds are accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its internal service funds.

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Unearned Revenue Unearned revenue arises when monies are received before revenue recognition criteria have been satisfied. Radio station charges for services received in the current fiscal year for underwriting spots that will occur in future fiscal years are recorded as unearned revenue. Revenue is recognized when the underwriting spot takes place. The School District has received an advance of revenue in lieu of taxes and shared revenue from the City of Akron from a compensation agreement. Revenue will be recognized based on the terms and conditions of the agreement.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position and/or the balance sheet will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources include the deferred expense of payments to the City of Akron (the "City") for the construction and renovation of school buildings, pension and other postemployment benefits (OPEB). In accordance with an agreement between the School District and the City, the City issued securities to assist in the School District's funding of its share of basic project costs and any locally funded initiatives for rebuilding and renovating the School District's school buildings into community learning centers. The securities were issued with a maturity life of 30 years. While the securities are outstanding, the School District will contribute $3,000,000 each year from the permanent improvement capital projects fund to the City for the purpose of paying debt charges on those securities and other project costs. Payments due to the City for periods beyond June 30, 2023 are recorded as deferred outflows of resources with a corresponding intergovernmental payable on both the government-wide statement of net position and the governmental fund financial statements. Deferred outflows of resources related to pension and OPEB are reported on the government-wide statement of net position (See Note 11).

In addition to liabilities, the statements of financial position and/or the balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, charges for services, tuition and fees, rentals and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position (See Note 11).

Expenses/Expenditures 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. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgetary Data

All funds, other than custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The alternative tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board of Education at the object level for the general fund and at the fund level for all other funds. The School District's Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund, except for the general 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's Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amounts in the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statement reflect the amounts in the final amended certificate in effect when the final appropriations were passed by the Board of Education.

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

F. Cash, Cash Equivalents and Investments

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including the internal service funds, are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the basic financial statements. The general fund provides advances to cover deficit cash balances at the end of the fiscal year. At the end of fiscal year 2023, the general fund advanced monies to several special revenue funds to cover negative cash balances. See Note 14 for additional information.

The School District has segregated bank accounts and investments for monies held separate from the School District's central bank account. These depository accounts and investments are presented on the statement of net position and the balance sheet as "cash and cash equivalents in segregated accounts" and "investments in segregated accounts" since they are not required to be deposited into the School District's treasury.

During fiscal year 2023, the School District's investments were limited to commercial paper, federal government sponsored enterprise securities, U.S. Treasury bills and notes, Ohio municipal securities, negotiable certificates of deposit and an interest in STAR Ohio, the State Treasurer's Investment Pool. Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

The School District's investment in the State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the School District. 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 a NAV per share that approximates fair value.

For the fiscal year 2023, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice is appreciated 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.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2023 amounted to $1,277,476, which includes $100,882 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the basic financial statements as cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are presented on the basic financial statements as investments.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2023 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which the services are consumed.

H. Inventory

Inventories consist of donated and purchased food, gasoline and diesel fuel, school and office supplies held for resale in the central warehouse, and non-food supplies held for consumption in the food service program.

Inventories are presented at the lower of cost or market on a first-in, first-out basis for food, non-food supplies in the food service program, and gasoline and diesel fuel and on an average-cost basis for supplies in the central warehouse. Inventories are expended/expensed when used.

I. Capital Assets

All capital assets of the School District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. They 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) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition value as of the date received. The School District maintains a capitalization threshold of one thousand dollars for all assets except for assets capitalized in the food service nonmajor special revenue fund, which has a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Description	Governmental Activities Estimated Lives
Land improvements	20 years
Building and improvements	70 years
Furniture and equipment	5 - 30 years
Vehicles	7 - 15 years

J. Interfund Balances

On the fund financial statements, outstanding interfund loans are classified as "interfund receivables/ payables". Interfund balances are eliminated in the statement of net position.

K. Pension and other postemployment benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, 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.

The current accounting standard requires school districts to report their proportionate share of the net pension/OPEB liability using the earning approach to pension and OPEB accounting instead of the funding approach as previously used. The funding approach limited pension and postemployment costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. Under the new standards, the net pension/OPEB liability equals the School District's proportionate share of each plan's collective present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service minus plan assets available to pay these benefits.

Pension and OPEB obligations, whether funded or unfunded, are part of the employment exchange. The employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. The unfunded portion of this benefit of exchange is a liability of the School District. However, the School District is not responsible for key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Benefit provisions and both employer and employee contribution rates are determined by State statute. The employee and employer enter the employment exchange with the knowledge that the exchange is limited by law. The pension system is responsible for the administration of the pension and OPEB plans.

There is no repayment schedule for the net pension liability or the net OPEB liability. The School District has no control over the changes in the benefits, contribution rates, and return on investments affecting the balance of the liabilities. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not identify the responsible party for the unfunded portion. Due to the unique nature of how the pension liability and the OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

L. 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 employer will compensate the employees for the benefits through paid time off or some other means.

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

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid.

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables and accrued liabilities from internal service funds are reported on the proprietary fund 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, compensated absences that will be paid from governmental funds are reported as a liability in the governmental 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.

N. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. Net position restricted for other purposes include special trust for scholarships, other local grants, and State and Federal programs.

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

O. Fund Balances

In accordance with GASB Statement No, 54, "*Fund Balance Reporting and Governmental Fund Type Definitions"*, the School District classifies its fund balances based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories can be used:

Nonspendable Resources that are not in spendable form (inventories, prepaid amounts and unclaimed funds) or have legal or contractual requirements to maintain the balance intact.

Restricted Resources that have external constraints imposed on them by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through enabling legislation.

Committed Resources that are constrained for specific purposes that are internally imposed by formal action (resolution) by the School District at its highest level of decision making authority, the Board of Education.

Assigned Resources that are constrained by the School District's intent to be used for specific purposes but are neither 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 Board of Education. Through School District policies, the Board of Education has given the School District Treasurer the authority to constrain monies for intended purposes.

Unassigned The residual fund balance with the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, this classification represents deficit fund balances resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are charges for services for self-insurance, workers' compensation and central supplies programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

Q. Interfund Activity

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

R. Estimates

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

Note 3 – Accountability

As of June 30, 2023, several nonmajor special revenue funds had a deficit fund balance. These deficits were caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The following funds had a deficit at year-end:

Nonmajor special revenue funds:	Deficit
Public school preschool	$ 47,571
ESS Emergency relief	499,796
Title VI-B special education	378,115
21st Century	18,227
Title I school improvement	269,363
Nutrition education and training	2,967
Title III	10,611
Title I	958,958
Title VI-A	11,137
Preschool handicapped	111
Title II-A improving teacher quality	69,541

Note 4 - Budgetary Basis of Accounting

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

4. The revenues, expenditures and other financing sources and uses of the general fund include activity that is budgeted within special revenue funds (GAAP basis). However, on the budgetary basis, the activity of the special revenue funds is excluded resulting in perspective differences.

As part of GASB Statement No, 54*,* certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies fund, the public school support fund, the severance fund and other various activities.

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements.

Net Change in Fund Balance

	General
GAAP basis	$ 10,805,071
Revenue accruals	(7,421,594)
Expenditure accruals	(12,675,414)
Budgeted as part of special revenue fund:	
Revenues	(919,346)
Net intrafund transfers	(7,241)
Expenditures	1,436,833
Encumbrances (Budget Basis) outstanding at year end	(6,675,972)
Budget basis	$ (15,457,663)

Note 5 - Deposits and Investments

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

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

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

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

Interim monies may be invested in the following obligations provided they mature or are redeemable within five years from the date of settlement, unless the investment is matched to a specific obligation or debt of the School District and the investment is not a commercial paper note, a banker's acceptance or a repurchase agreement:

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

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

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

4. Bonds and other obligations of the State of Ohio;

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

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

7. Commercial paper notes, limited to 40% (5% for a single issuer) in total of the interim monies available for investment at any one time and for a period not to exceed two hundred seventy days; and

8. Bankers acceptances, limited to 40% of the interim monies available for investment at any one time and for a period not to exceed one hundred eighty days.

According to state law, public depositories must provide security for the repayment of all public deposits. These institutions shall give security for all public funds on deposit in excess of those funds that are insured by the Federal Deposit Insurance Corporation (FDIC). The security for these deposits will be made under an agreement using a surety bond and/or by means of pledging allowable securities as collateral to be held by a qualified trustee. The pledged collateral can be held for each public depositor or in a pool for multiple public depositors and must have a market value of at least 105% of the total value of public monies on deposit at the institution. If the institution participates in the Ohio Pooled Collateral System (OPCS), the total market value of the securities pledged can be 102% or lower if permitted by the Treasurer of State. The School District's financial institution participates in the OPCS and was approved for a reduced collateral floor of 50 %.

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

Cash on Hand

At fiscal year-end, the School District had $1,000 in undeposited cash on hand which is included as part of "equity in pooled cash and cash equivalents."

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned. As of June 30, $3,659,978 of the School District's bank balance of $10,457,606 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized.

Also, included in the above deposits is $100,858 in nonnegotiable certificates of deposit reported as part of "investments in segregated accounts".

Investments As of June 30, 2023, the School District had the following investments:

Investment Type	Fair Value	Percentage of Investments	Investment Maturities (in years) < 1 year	2-4 years	>4 years
First American government obligation fund	94,683	0.08%	94,683	-	-
Federal National Mortgage Association bonds	4,160,032	3.36%	4,160,032	-	-
Federal Home Loan Bank discounted notes	1,424,230	1.15%	1,424,230	-	-
US Treasury notes	3,754,391	3.03%	3,754,391	-	-
US Treasury bills	14,860,169	11.99%	14,860,169	-	-
Star Ohio	10,456,489	8.43%	10,456,489	-	-
Reported in the general fund:					
First American government obligation fund	86,071	0.07%	86,071	-	-
Federal Farm Credit Bank bonds	6,859,442	5.53%	5,420,516	1,438,926	-
Federal Home Loan Bank bonds	25,376,624	20.45%	2,615,412	22,083,711	677,501
Federal Home Loan Mortgage Corporation bonds	7,861,564	6.34%	4,424,619	3,143,086	293,859
US Treasury notes	12,005,140	9.68%	-	12,005,140	-
Ohio municipal securities	5,650,225	4.56%	1,465,350	4,184,875	-
Negotiable certificates of deposit	7,942,635	6.41%	1,216,984	6,725,651	-
	65,781,701		15,228,952	49,581,389	971,360
Reported in the Classroom Facilities Capital Projects fund:					
First American government obligation fund	80,326	0.06%	80,326	-	-
Federal Home Loan Bank bonds	4,090,723	3.30%	2,515,585	1,575,138	-
Federal Home Loan Bank discounted notes	2,459,905	1.98%	2,459,905	-	-
Federal Home Loan Mortgage Corporation bonds	497,639	0.40%	-	497,639	-
US Treasury bills	4,945,621	3.99%	4,945,621	-	-
Negotiable certificates of deposit	246,143	0.20%	-	246,143	-
Commerical paper	482,403	0.39%	482,403	-	-
	12,802,760		10,483,840	2,318,920	-
Reported in an internal service fund:					
First American government obligation fund	11,454	0.01%	11,454	-	-
Federal Home Loan Bank bonds	1,667,107	1.34%	1,341,098	326,009	-
Federal Home Loan Bank discounted notes	874,951	0.71%	874,951	-	-
US Treasury notes	1,854,276	1.50%	1,614,051	240,225	-
US Treasury bills	1,496,854	1.21%	1,496,854	-	-
Ohio municipal securities	394,676	0.32%	394,676		
Negotiable certificates of deposit	3,724,193	3.00%	2,451,061	1,273,132	
Commerical paper	627,581	0.51%	627,581	-	-
	10,651,092		8,811,726	1,839,366	-
	123,985,547	100.00%	69,274,512	53,739,675	971,360

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. As previously discussed Star Ohio is reported at its net asset value. Other investments of the School District are valued using Level 2 inputs using valuation techniques that incorporate market data for similar investments, broker quotes and inactive transactions prices.

Custodial credit risk for an investment is the risk that in the event of 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 investments in Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), First American government obligation and commercial paper are held by the counterparty's trust department or agent and not in the School District's name. The School District's negotiable certificates of deposit are registered securities and covered in full by FDIC insurance. The School District's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

Interest rate risk is the possibility that changes in interest rates will adversely affect the fair value of an investment. The School District's investment policy does not address limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk is the possibility that an issuer or other counterparty to an investment will not fulfill its obligation. Standard and Poor's has assigned STAR Ohio and the First American government obligation an AAAm rating, the FHLMC, FHLB, FFCB and FNMA bonds an AA+ rating, the U.S. Treasury notes have a AA+ rating, the U.S. Treasury bills have a A-1+ rating and commercial paper an A-1 and A-1+ rating. Ohio Municipal securities carried a Moody's rating of Aa2. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The School District's investment policy requires certain credit ratings for some investments as allowed by state law.

Concentration of credit risk is the possibility of loss attributed to the magnitude of the School District's investment in a single issuer. More than 5% of the School District's investments are in FHLMC bonds, FHLB bonds and FFCB bonds. These investments are presented in the table on the previous page. The investment in STAR Ohio is a pooled investment and not of a single issuer. The School District's policy does not specify stricter limits than allowed by law.

Note 6 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2023 represents collections of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed value listed as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable semi-annually with payments due in February and July. Under certain circumstances, State statute permits alternate payment dates to be established.

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

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

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

The amount available as an advance at June 30, 2023 was $25,667,114 in the general fund and $749,437 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2022 was $9,237,002 in the general fund and $271,034 in the permanent improvement capital projects fund.

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

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

Property Category	2023 Assessed Value	2022 Assessed Value
Real Property		
Residential and agricultural	$ 1,780,543,950	$ 1,776,353,150
Commercial, industrial and minerals	810,777,390	833,134,560
Public utilities	560,110	533,020
Tangible Personal Property		
Public utilities	185,561,240	174,372,860
Total	$ 2,777,442,690	$ 2,784,393,590

Note 7 – Receivables

Receivables at June 30, 2023 consisted of taxes, revenue in lieu of taxes, interest, interfund, accounts (student transportation fees, radio station charges for services, printing reimbursements, building rentals, senior dues, Akron Education Association salaries/fringe benefits reimbursement, substitute teacher cost reimbursements, Adult School of Practical Nursing tuition, Early College High School tuition reimbursements, post-secondary tuition reimbursements, food service sales, health/life insurance fees, juvenile detention center tuition, royalties, transcript fees, refunds, maintenance labor costs, vending machine sales and local grants), and intergovernmental (motor vehicle fuel tax reimbursement, JROTC, restitution, student transportation fees, juvenile detention center tuition, STEM Hub workshop registration fees, excess costs tuition reimbursements, building rentals, printing reimbursements, Ohio Bureau of Workers' Compensation premium rebate). All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables are expected to be collected within one fiscal year except for taxes and classroom facilities.

A summary of the items of intergovernmental receivables follows:

Governmental Activities	Amounts
General:	
Tuition and fees	$ 1,318,403
State of Ohio	1,830,307
ROTC	31,612
Miscellaneous	162,003
Total general	3,342,325
Classroom facilities	6,896,185
Other governmental funds:	
Grants	32,653,127
Total	$ 42,891,637

Note 8 - Contingencies

A. Grants

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

B. Foundation Funding

School District foundation funding is based on the annualized full-time equivalent ("FTE") enrollment of each student. The Ohio Department of Education ("ODE") is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. ODE has finalized the impact of enrollment adjustments to the June 30, 2023 Foundation funding for the School District. These adjustments were insignificant for the School District for fiscal year 2023.

C. Litigation

The School District is party to various legal proceedings. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claim or lawsuit will not have a material adverse effect, if any, on the financial condition of the School District

Note 9 – Capital Assets

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

	Balance 7/1/2022	Addition	Deletion	Balance 6/30/2023
Governmental Activities				
Capital assets, not being depreciated:				
Land	$ 6,773,043	$ -	$ -	$ 6,773,043
Construction in progress	31,015,337	1,669,482	(32,684,819)	-
Total capital assets, not being depreciated:	37,788,380	1,669,482	(32,684,819)	6,773,043
Capital assets, being depreciated:				
Land improvements	5,474	-	-	5,474
Buildings and improvements	336,859,124	32,684,818	-	369,543,942
Furniture and equipment	45,262,033	4,467,035	(1,078,048)	48,651,020
Vehicles	15,408,711	732,422	(1,999,842)	14,141,291
Total capital assets, being depreciated	397,535,342	37,884,275	(3,077,890)	432,341,727
Less: Accumulated depreciation:				
Land improvements	-	(562)	-	(562)
Buildings and improvements	(60,670,835)	(5,212,959)	-	(65,883,794)
Furniture and equipment	(31,552,223)	(1,698,979)	529,289	(32,721,913)
Vehicles	(8,660,020)	(895,740)	1,999,842	(7,555,918)
Total accumulated depreciation	(100,883,078)	(7,808,240)	2,529,131	(106,162,187)
Total capital assets, being depreciated, net	296,652,264	30,076,035	(548,759)	326,179,540
Governmental Activities Capital Assets, Net	$ 334,440,644	$ 31,745,517	$ (33,233,578)	$ 332,952,583

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$ 480,645
Special	23,052
Vocational	349,279
Adult/continuing	243
Other	5,167
Support services:	
Pupil	18,179
Instructional staff	359,629
Administration	22,177
Fiscal	2,270
Business	173,316
Operation and maintenance of plant	5,576,960
Pupil transportation	620,383
Central	71,708
Operation of non-instructional services	60,468
Operation of food services	29,426
Extracurricular services	15,338
Total depreciation expense	$ 7,808,240

As of June 30, 2023, the District's capital assets included four vacant buildings with no immediate usage plans that have a carrying value of $4,254,982.

Note 10 - Risk Management

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 fiscal year 2023, the School District contracted for property, inland marine, crime, general liability, excess liability, educators legal liability, employment practices liability and automobile coverage.

Settled claims have not exceeded commercial coverage in any of the past three fiscal years, and there has not been a significant reduction in coverage from the prior fiscal year.

The School District began participating in the Ohio Bureau of Workers' Compensation Retrospective Rating Plan (the "Plan") for calendar year 2004. This Plan involves the payment of: (1) a minimum premium to cover safety and hygiene costs, surplus costs, premium payment security costs, and the costs of losses exceeding the per claim and the maximum premium limitations; (2) a premium based on covered claims for up to ten years; and, (3) a premium based on reserves for evaluated claims at the end of the tenth year.

The Plan is funded by charging each fund a percentage of payroll during the period. The Plan bills the School District based on a calendar year rather than a fiscal year.

Medical/surgical insurance is offered to employees on a self-insured basis. The School District has various third-party administrators for the self-insurance activity. The claims liability of $7,233,119 reported in the self-insurance internal service fund at June 30, 2023 is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 30, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount follow for the last two fiscal years:

	Year ended 6/30/2023	Year ended 6/30/2022
Unpaid claims, beginning of fiscal year	$ 6,929,389	$ 5,804,339
Incurred claims (including IBNRs)	53,034,785	54,133,055
Claim payments	(52,741,055)	(53,008,005)
Unpaid claims, end of fiscal year	$ 7,223,119	$ 6,929,389

Note 11 – Defined Benefit Pension and OPEB Plans

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

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

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

A. DEFINED BENEFIT PENSION PLANS

School Employee Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of 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; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty 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 was in effect for all benefit recipients for the years 2018, 2019, and 2020. 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. In 2022, the Board of Trustees approved a 2.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2023.

Funding Policy - Plan members are required to contribute 10.00 percent of their annual covered salary and the District is required to contribute 14.00 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 10.00 percent for plan members and 14.00 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.00 percent. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was $7,766,447 for fiscal year 2023. Of this amount $711,120 is reported as an intergovernmental payable.

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 2.20 percent of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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

The DC Plan allows members to place all of their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. 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 is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 and after termination of employment.

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

A DB or Combined Plan member with five or more years of credited service, who is determined to be disabled, may qualify for a disability benefit. 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. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

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

The School District's contractually required contribution to STRS was $26,400,122 for fiscal year 2023. Of this amount $3,228,359 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the net pension liability - prior measurement date	1.3167942%	1.3391736%	
Proportion of the net pension liability - current measurement date	1.3388620%	1.3682045%	
Change in proportionate share	0.0220678%	0.0290309%	
Proportionate share of the net pension liability	$72,416,071	$304,153,578	$376,569,649
Pension expense	$4,142,366	$36,954,501	$41,096,867

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 2,932,909	$ 3,893,557	$ 6,826,466
Changes of assumptions	714,542	36,398,045	37,112,587
Net difference between projected and actual earnings on pension plan investments	-	10,583,880	10,583,880
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	864,885	10,859,693	11,724,578
School District contributions subsequent to the measurement date	7,766,447	26,400,122	34,166,569
Total deferred outflows of resources	$ 12,278,783	$ 88,135,297	$ 100,414,080
Deferred inflows of resources			
Difference between expected and actual experience	$ 475,394	$ 1,163,484	$ 1,638,878
Changes of assumptions	-	27,397,265	27,397,265
Net difference between projected and actual earnings on pension plan investments	2,526,990	-	2,526,990
Total deferred inflows of resources	$ 3,002,384	$ 28,560,749	$ 31,563,133

$34,166,569 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year	SERS	STRS	Total
2024	$ 760,172	$ 4,898,681	$ 5,658,853
2025	160,194	2,571,214	2,731,408
2026	(3,609,859)	(5,141,582)	(8,751,441)
2027	4,199,445	30,846,113	35,045,558
Total	$ 1,509,952	$ 33,174,426	$ 34,684,378

Actuarial Assumptions – SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

Wage inflation:	
Current measurement date	2.4 percent
Prior measurement date	2.4 percent
Future salary increases, including inflation:	
Current measurement date	3.25 percent to 13.58 percent
Prior measurement date	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA:	
Current measurement date	2.0 percent
Prior measurement date	2.0 percent
Investment rate of return:	
Current measurement date	7.0 percent net of system expense
Prior measurement date	7.0 percent net of system expense
Discount rate:	
Current measurement date	7.0 percent
Prior measurement date	7.0 percent
Actuarial cost method	Entry age normal

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

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

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

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	2.00 %	(0.45) %
US equity	24.75	5.37
International equity developed	13.50	6.22
International equity emerging	6.75	8.22
Fixed income/Global bonds	19.00	1.20
Private equity	11.00	10.05
Real estate/Real assets	16.00	4.87
Multi-asset strategies	4.00	3.39
Private debt/Private credit	3.00	5.38
Total	100.00 %	

Discount Rate The total pension liability was calculated using the discount rate of 7.0 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$106,593,000	$72,416,071	$43,622,473

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022 actuarial valuation, compared with June 30, 2021 actuarial valuation, are presented below:

	June 30, 2022	June 30, 2021
Inflation	2.5 percent	2.5 percent
Projected salary increases	Varies be service from 2.5 percent to 8.5 percent	12.5 percent at age 20 to 2.5 percent at age 65
Investment rate of return	7.0 percent, net of investment expenses, including inflation	7.0 percent, net of investment expenses, including inflation
Discount rate of return	7.0 percent	7.0 percent
Payroll increases	3.0 percent	3.0 percent
Cost-of-Living Adjustment (COLA)	0.0 percent	0.0 percent

For the June 30, 2022 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

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

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

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

Asset class	Target allocation *	Long term expected real rate of return**
Domestic equity	26.00 %	6.60 %
International equity	22.00	6.80
Alternatives	19.00	7.38
Fixed income	22.00	1.75
Real estate	10.00	5.75
Liquidity reserves	1.00	1.00
Total	100.00 %	

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

**Over a 30 year period, STRS's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

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

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

	1% Decrease (6.00%)	Current discount rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	$459,465,329	$304,153,578	$172,807,920

Changes Between Measurement Date and Reporting Date - STRS approved a one-time 1.00 percent cost-of-living adjustment to eligible benefit recipients effective July 1, 2023. It is unknow what effect this change will have on the net pension liability.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by SERS or STRS have an option to choose Social Security or SERS. As of June 30, 2023, one member of the Board of Education has elected Social Security.

B. DEFINED BENEFIT OPEB PLANS

School Employee Retirement System

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, no allocation was made 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 2023, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the District's surcharge obligation was $711,120.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was $711,120 for fiscal year 2023. Of this amount $711,120 is reported as a pension obligation payable.

State Teachers Retirement System

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

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

OPEB Liability or Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability or asset was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability or asset was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability or asset was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

	SERS	STRS	Total
Proportion of the net OPEB liability (asset) - prior measurement date	1.3161187%	1.3391736%	
Proportion of the net OPEB liability (asset) - current measurement date	1.3503387%	1.3682045%	
Change in proportionate share	0.0342200%	0.0290309%	
Proportionate share of the net OPEB liability (asset)	$18,958,896	($35,427,370)	($16,468,474)
OPEB expense	($1,592,195)	($6,708,263)	($8,300,458)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 159,377	$ 513,569	$ 672,946
Changes of assumptions	3,015,656	1,509,088	4,524,744
Net difference between projected and actual earnings on pension plan investments	98,537	616,704	715,241
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	1,227,914	66,045	1,293,959
School District contributions subsequent to the measurement date	711,120	-	711,120
Total deferred outflows of resources	$ 5,212,604	$ 2,705,406	$ 7,918,010
Deferred inflows of resources			
Differences between expected and actual experience	$ 12,127,501	$ 5,320,509	$ 17,448,010
Changes of assumptions	7,782,765	25,121,411	32,904,176
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	649,472	513,486	1,162,958
Total deferred inflows of resources	$ 20,559,738	$ 30,955,406	$ 51,515,144

$711,120 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 year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	SERS	STRS	Total
2024	$ (3,704,428)	$ (8,449,573)	$ (12,154,001)
2025	(3,650,301)	(8,165,554)	(11,815,855)
2026	(3,264,551)	(3,785,014)	(7,049,565)
2027	(2,122,205)	(1,579,631)	(3,701,836)
2028	(1,342,824)	(2,070,370)	(3,413,194)
Thereafter	(2,103,893)	(4,199,858)	(6,303,751)
Total	$ (16,188,202)	$ (28,250,000)	$ (44,438,202)

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, 2022, are presented below:

Wage inflation:	
Current measurement date	2.40 percent
Prior measurement date	2.40 percent
Future salary increases, including inflation:	
Current measurement date	3.25 percent to 13.58 percent
Prior measurement date	3.25 percent to 13.58 percent
Investment rate of return:	
Current measurement date	7.00 percent net of system expense, including inflation
Prior measurement date	7.00 percent net of system expense expense, including inflation
Municipal Bond Index Rate:	
Current measurement date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Current measurement date	4.08 percent
Prior Measurement Date	2.27 percent
Medical Trend Assumption:	
Current measurement date	7.00 to 4.40 percent
Prior measurement date	
Medicare	5.125 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent

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

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial 5-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11 A.

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

Sensitivity of the 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, what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08 percent) and higher (5.08 percent) than the current discount rate (4.08 percent). Also shown is what the net OPEB liability would be based on health care cost trend rates that point lower (6.00 percent decreasing to 3.40 percent) and higher (8.00 percent decreasing to 5.40 percent) than the current rate (7.00 percent decreasing to 4.40 percent).

	1% Decrease	Current discount rate	1% Increase
School District's proportionate share of the net OPEB liability	$ 23,547,235	$18,958,896	$15,254,860

	1% Decrease	Current trend rate	1% Increase
School District's proportionate share of the net OPEB liability	$ 14,620,590	$18,958,896	$24,625,268

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022 actuarial valuation, compared with June 30, 2021 actuarial valuation, are presented below:

	June 30, 2022		June 30, 2021	
Inflation	2.50 percent		2.50 percent	
Projected salary increases	Varies be service from 2.50 percent to 8.50 percent		12.50 percent at age 20 to 2.50 percent at age 65	
Investment rate of return	7.00 percent, net of investment expenses, including inflation		7.00 percent, net of investment expenses, including inflation	
Discount rate of return	7.00 percent		7.00 percent	
Payroll increases	3.00 percent		3.00 percent	
Cost-of-Living Adjustment (COLA)	0.00 percent		0.00 percent	
Blended discount rate of return	n/a		n/a	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	7.50 percent	3.94 percent	7.50 percent	4.00 percent
Medicare	-68.78 percent	3.94 percent	-16.18 percent	4.00 percent
Prescription Drug				
Pre-Medicare	9.00 percent	3.94 percent	6.50 percent	4.00 percent
Medicare	-5.47 percent	3.94 percent	29.98 percent	4.00 percent

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

For the June 30, 2022 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub- 2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, for healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Tables 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 Tables with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

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

Assumption Changes Since the Prior Measurement Date - The discount rate remained unchanged at 7.00 percent for the June 30, 2022 valuation.

Benefit Term Changes Since the Prior Measurement Date - Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 11 A.

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS Ohio 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 as of June 30, 2022. Therefore, the long-term expected rate of return on health care fund investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

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

	1% Decrease	Current discount rate	1% Increase
School District's proportionate share of the net OPEB asset	$ (32,751,668)	($35,427,370)	($37,719,331)

	1% Decrease	Current trend rate	1% Increase
School District's proportionate share of the net OPEB asset	$ (36,746,798)	($35,427,370)	($33,761,909)

Note 12 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Employees working 52 weeks per year earn 1 day to 25 days of vacation per year, depending upon length of service. Accumulated, unused vacation time (up to 37.5 days) is paid upon termination of employment. Employees working less than 52 weeks per year do not earn vacation. Employees earn sick leave at the rate of one and one-fourth days per month or the equivalent in hours per month. Sick leave may be accumulated up to a maximum of 425 days. Upon retirement, payment is made for one-fourth of the total sick leave accumulation. Employees receive 1) two additional days for each year of perfect attendance commencing July 1, 1976 through June 30, 1981; and 2) one additional day for each year of perfect attendance commencing July 1, 1981.

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through The Hartford.

Note 13 - Long-Term Obligations

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

Governmental Activities	Balance 7/1/2022	Increases	Decreases	Balance 6/30/2023	Amount Due in One Year
Net pension liability:					
STRS	$ 171,225,378	$ 132,928,200	$ -	$ 304,153,578	$ -
SERS	48,585,887	23,830,184	-	72,416,071	-
Total net pension liability	219,811,265	156,758,384	-	376,569,649	-
Net OPEB liability:					
SERS	24,908,625	-	(5,949,729)	18,958,896	-
Total net OPEB liability	24,908,625	-	(5,949,729)	18,958,896	-
Compensated absences	40,416,442	11,469,724	(3,743,107)	48,143,059	3,556,326
Total long-term obligations	$ 285,136,332	$ 168,228,108	$ (9,692,836)	$ 443,671,604	$ 3,556,326

Compensated absences will be paid from the fund from which the employees' salaries are paid.

There is not a repayment schedule for the net pension liability and net OPEB liability; however the School District pays pension and OPEB obligations related to employee compensation from the fund benefitting from their service.

Note 14 – Interfund Transfers and Balances

A. Transfers

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

Transfers made during the fiscal year ended June 30, 2023 were as follows:

	Transfers from		
Transfers to	General Fund	Nonmajor Governmental Funds	Total
General fund	$ -	$ 6,703	$ 6,703
Permanent improvement fund	42,046		42,046
Nonmajor governmental funds	300,000	-	300,000
Subtotal governmental funds	342,046	6,703	348,749
Internal service fund	261,344	-	261,344
Total	$ 603,390	$ 6,703	$ 610,093

B. Interfund balances

The general fund advanced funds to various special revenue funds to cover negative cash balances at the end of fiscal year 2023 as follows:

Advanced to	Nonmajor Governmental Funds
Public school preschool	$ 193,864
High Schools That Work	1,720
ESS Emergency relief	19,722,854
21st Century	13,803
Title VI-B	893,415
Vocational education	155,549
Title I school improvement stimulus A	188,289
Nutrition education and training	2,967
Title III limited english proficiency	33,459
Title I	3,284,915
Title IV-A	91,506
Preschool handicapped	6,613
Title II-A improving teacher quality	168,705
Miscellaneous federal grants	1,667,146
	$ 26,424,805

Note 15 – Set Asides

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

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

	Capital Improvement
Set aside balance as of June 30, 2022	$ -
Current year set-aside requirement	4,287,267
Qualifying expenditures	(4,993,130)
Total	$ (705,863)
Cash balance carried forward to next year	$ -

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

Note 16 – Fund Balances

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

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

Fund Balances	General	Permanent Improvement	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Nonspendable					
Inventory	$ 46,507	$ -	$ -	$ -	$ 46,507
Permanent fund principal	-	-	-	281,304	281,304
Total nonspendable	46,507	-	-	281,304	327,811
Restricted for					
Scholarships	-	-	-	143,732	143,732
Various student activities	-	-	-	625,394	625,394
Vocational programs	-	-	-	5,490	5,490
Food service	-	-	-	6,074,332	6,074,332
Instructional programs	-	-	-	559,219	559,219
Auxiliary services	-	-	-	56,835	56,835
Data communication	-	-	-	1,225	1,225
General operations of WAPS-FM	-	-	-	168,150	168,150
Other local grants	-	-	-	1,555,253	1,555,253
Debt service	-	-	-	13,007	13,007
Classroom facilities maintenance	-	-	-	13,490,789	13,490,789
Classroom facilities construction	-	-	12,346,343	-	12,346,343
Capital improvements	-	751,485	-	7,426,860	8,178,345
Total restricted	-	751,485	12,346,343	30,120,286	43,218,114
Committed to:					
Underground storage tanks	11,000	-	-	-	11,000
Severance payments	1,582,741	-	-	-	1,582,741
Total committed	1,593,741	-	-	-	1,593,741
Assigned					
Uniform school supplies	12,677	-	-	-	12,677
Public school support	587,362	-	-	-	587,362
Background checks	3,017	-	-	-	3,017
Consumer services from vocational education classes	272,185	-	-	-	272,185
Encumbrances	6,603,024	-	-	-	6,603,024
Next years budget	30,395,238	-	-	-	30,395,238
Total assigned	37,873,503	-	-	-	37,873,503
Unassigned (deficit)	47,008,553	-	-	(2,266,397)	44,742,156
Total fund balances	$ 86,522,304	$ 751,485	$ 12,346,343	$ 28,135,193	$ 127,755,325

Regarding the committed fund balances, the School District's Board of Education approves transfers to and from the underground storage tanks fund, approves the Superintendent's contract and approves the retirements of its employees before severance payments can be made.

The School District's Treasurer authorized the assignment of fund balances to encumbrances and public school support. The School District's Board of Education authorized the assignment of fund balances to uniform school supplies and consumer services from vocational education classes. The School District's Board of Education has established policies to collect tuition and fees for uniform school supplies.

Note 17 – Construction Commitments

The School District has active construction projects as of June 30, 2023. At fiscal year end, the School District's commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitment
Firestone Community Learning Center Construction	$ 81,427,884	$ 12,356
Old Roswell-Kent Middle School Demolition	1,455,223	29,869
Garfield Community Learning Center Construction	62,621,417	424,323
Old Garfield High School Demolition	2,275,393	17,210
I Promise School Roof Replacement	42,000	1,524,000
I Promise School Asphalt Seal and Stripe	-	12,300
I Promise School Installation of New Chiller	19,402	10,448
McEbright Community Learning Center Repalcement of Playground Set	116,512	50,265
	$147,957,831	$ 2,080,771

The commitments involving the construction and demolition of school buildings are being financed entirely with Ohio Facilities Construction Commission monies and proceeds from a municipal income tax levied by the City. The remaining projects are being financed mainly with property taxes, State monies and interest.

Note 18 – Ohio Facilities Construction Commission Project

Voters in the City passed an ordinance in May of 2003 levying a 0.25 percent additional municipal income tax for the purpose of acquiring, constructing, renovating, and adding to interests in land and the School District's school buildings. This tax will last for 30 years and will raise $284,208,394 in local funds needed to be eligible for $408,982,810 of Ohio Facilities Construction Commission ("OFCC") monies. Also, this tax will raise $80,706,348 in additional local funds for locally funded initiatives that are not eligible to be paid for with OFCC monies. Combined, these funds will rebuild and renovate the School District's school buildings into community learning centers for educating students during school hours while serving as community learning centers for recreation, education, after school and summer school programs, as well as community activities at other times, open to City residents and persons employed in the City.

The tax took effect January 1, 2004. As of June 30, 2023, the School District has received $354,771,965 in local funds from the City by way of this tax to date. At June 30, 2023 the School District is reporting an asset, "due from City of Akron" in the amount of $9,102,792 and a liability, "due to City of Akron" in the amount of $6,192,495 as of June 30, 2023. The amount of this receivable and liability was determined by reducing the $354,771,965 received as of June 30, 2023 by the amount of capital expenditures made by the School District using these local funds received from the City since the inception of this project. The School District has made a total of $355,084,044 in capital expenditures using these local funds received from the City as of June 30, 2023. A liability was recorded for these monies because if the School District does not spend these local funds by the end of this project, these funds would have to be returned to the City in accordance with an agreement between the School District and the City.

The School District and the City share ownership of the new community learning centers equally. For completed community learning centers, the School District has recorded 50 percent of the capital expenditures as land capital assets in the amount of $630,312 and as buildings capital assets in the amount of $327,062,330 to date as of June 30, 2023.

OFCC has determined that $6,896,185 is available to the School District as of June 30, 2023. This represents the amount that OFCC has appropriated but not remitted to the School District as of June 30, 2023 over the entire life of this project. As a result, that amount was recorded as an intergovernmental receivable as of June 30, 2023. On the accrual basis, the entire amount was recorded as revenue because all of the eligibility requirements were satisfied for this nonexchange transaction. On the modified accrual basis, the entire amount was reported as deferred inflows of resources – unavailable revenue because it was not expected to be available.

Note 19 – Tax abatements

Pursuant to Ohio Revised Code (ORC) Section 3735.66, the City of Akron established a Community Reinvestment Area (CRA) program. The CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRAs are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing has traditionally been discouraged. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for the renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

The total value of the School District's share of taxes abated for fiscal year 2023 was estimated at $12,014,453.

Note 20 – Bond held by the City of Akron

The School District and the City of Akron entered into compensation agreement in 1997. The compensation agreement provided for revenue to replace property taxes resulting from the City's tax incremental financing (TIF) and tax abatement agreements with developers. This agreement provided terms and conditions for sharing the City's TIF payments and a portion of income tax from a Joint Economic Development District (JEDD).

During 2018, the School District received $10 million from a closed sale of a term bond that has a final maturity of December 1, 2028. The City of Akron acquired the bond as part of a Settlement and Purchase Agreement; to not require the bond be registered, to not sell the bond, to hold it as an investment and to forgive all debt service payments as they come due. In turn, the School District will accept a reduction of future TIF and JEDD receipts in the same periods and for the same amounts as the debt service requirements. These future TIF and JEDD receipts include the amounts that were already past due. As a result of this transaction, the bond will not be reported as debt and the $10 million will be recognized as partially earned and unearned revenue. During the term of the bonds, the School District will continue to collect current amounts for the TIF and JEDD receipts. During fiscal year 2024, the debt service payments will be covered partially by the current and past due amounts. The debt service payments scheduled prior to fiscal year 2024, were covered by the past due amounts and the School District has recognized those amounts as revenue. The future amounts to be withheld are reported as unearned revenue in the general fund.

Note 21 – Jointly Governed Organization

The Ohio Schools Council (Council) is a jointly governed organization among 249 school districts, educational service centers, joint vocational school districts, and developmental disabilities boards in thirty-three northern Ohio counties. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to its members. Each member supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. During fiscal year 2023, the School District paid the Council $6,025 for contracted services performed for school safety and security assessments and consulting, safety program fees and membership fees. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Blvd., Suite 377, Independence, Ohio 44131.

AKRON CITY SCHOOL DISTRICT
SUMMIT COUNTY

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR *Pass Through Grantor* Program / Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Receipts	Total Federal Expenditures
FEDERAL COMMUNICATIONS COMMISSION				
Direct				
COVID-19 Emergency Connectivity Fund Program	32.009	N/A	-	1,993,645
Total Emergency Connectivity Fund Program			-	1,993,645
TOTAL FEDERAL COMMUNICATIONS COMMISSION			-	1,993,645
U.S. DEPARTMENT OF EDUCATION				
Direct				
Impact Aid	84.041	N/A	69,333	69,333
Total Impact Aid			69,333	69,333
Gaining Early Awareness and Readiness Undergraduate Programs	84.334A	P334Z210174	360,832	281,936
Gaining Early Awareness and Readiness Undergraduate Programs	84.334A	P334Z210174	832,444	1,022,258
Total Gaining Early Awareness and Readiness Undergraduate Programs			1,193,276	1,304,194
U.S. DEPARTMENT OF EDUCATION				
Passed Through Ohio Department of Education and Workforce				
Special Education Cluster:				
Special Education - Grants to States (IDEA-B)	84.027A	043489-3M20-2022	888,649	273,462
Special Education - Grants to States (IDEA-B)	84.027A	043489-3M20-2023	5,002,702	5,362,043
COVID-19 Special Education - Grants to States (ARP IDEA Part B)	84.027X	043489-3IA0-2022	228,013	749,988
Special Education - Grants to States (Parent Mentor Project)	84.027A	043489-3M20-2022	701	-
Special Education - Grants to States (Parent Mentor Project)	84.027A	043489-3M20-2023	1,367	1,395
Total Special Education - Grants to States			6,121,432	6,386,888
Special Education - Preschool Grants	84.173A	043489-3C50-2022	12,112	-
Special Education - Preschool Grants	84.173A	043489-3C50-2023	90,760	95,687
COVID-19 Special Education - Preschool Grants (ARP IDEA)	84.173X	043489-3IA0-2022	74,485	61,612
Total Special Education - Preschool Grants			177,357	157,299
Total Special Education Cluster			6,298,789	6,544,187
Career and Technical Education - Basic Grants to States (Carl D. Perkins Secondary)	84.048A	043489-3L90-2022	318,328	135,372
Career and Technical Education - Basic Grants to States (Carl D. Perkins Secondary)	84.048A	043489-3L90-2023	531,939	687,487
Total Career and Technical Education - Basic Grants to States			850,267	822,859
Title I - Grants to Local Educational Agencies (Improving Basic Programs)	84.010A	043489-3M00-2022	2,299,817	883,741
Title I - Grants to Local Educational Agencies (Delinquent)	84.010A	043489-3M00-2022	54,242	31,027
Title I - Grants to Local Educational Agencies (School Quality Improvement)	84.010A	043489-3M00-2022	1,345,209	1,225,347
Title I - Grants to Local Educational Agencies (Expanding Opportunities for Each Child)	84.010A	043489-3M00-2022	64,924	28,965
Title I - Grants to Local Educational Agencies (Supplemental School Improvement)	84.010A	043489-3M00-2022	13,248	3,582
Title I - Grants to Local Educational Agencies (Improving Basic Programs)	84.010A	043489-3M00-2023	12,636,102	15,338,165
Title I - Grants to Local Educational Agencies (Delinquent)	84.010A	043489-3M00-2023	188,983	218,269
Title I - Grants to Local Educational Agencies (Expanding Opportunities for Each Child)	84.010A	043489-3M00-2023	166,954	391,263
Title I - Grants to Local Educational Agencies (Supplemental School Improvement)	84.010A	043489-3M00-2023	484,086	672,375
Total Title I - Grants to Local Educational Agencies			17,253,565	18,792,734
Education for Homeless Children and Youth (McKinney-Vento Homeless Youth Assistance Program)	84.196A	043489-3EJ0-2022	78,732	40,938
Education for Homeless Children and Youth (McKinney-Vento Homeless Youth Assistance Program)	84.196A	043489-3EJ0-2023	212,765	241,684
Total Education for Homeless Children and Youth			291,497	282,622
Twenty-First Century Community Learning Centers	84.287A	043489-3Y20-2023	185,597	199,400
Total Twenty-First Century Community Learning Centers			185,597	199,400
English Language Acquisition State Grants (Title III)	84.365A	043489-3Y70-2022	49,261	4,469
English Language Acquisition State Grants (Title III)	84.365A	043489-3Y70-2023	221,379	254,837
Total English Language Acquisition State Grants			270,640	259,306
Student Support and Academic Enrichment Programs (Title IV-A)	84.424A	043489-3HI0-2022	217,472	90,558
Student Support and Academic Enrichment Programs (Title IV-A)	84.424A	043489-3HI0-2023	593,473	684,980
Total Student Support and Academic Enrichment Programs			810,945	775,538
Supporting Effective Instruction State Grants (Title II-A)	84.367A	043489-3Y60-2022	451,530	255,914
Supporting Effective Instruction State Grants (Title II-A)	84.367A	043489-3Y60-2023	1,119,723	1,286,337
Supporting Effective Instruction State Grants (Diversifying the Education Profession)	84.367A	043489-3Y60-2022	918	165
Supporting Effective Instruction State Grants (Diversifying the Education Profession)	84.367A	043489-3Y60-2023	4,374	6,466
Total Supporting Effective Instruction State Grants			1,576,545	1,548,882
School Improvement Grants (Title I SIG 1003(g) Waiver)	84.377A	043489-3AN0-2022	461,253	-
Total School Improvement Grants			461,253	-
COVID-19 Education Stabilization Fund (ESSER)	84.425D	043489-3HS0-2020	105,136	46,066
COVID-19 Education Stabilization Fund (ESSER II)	84.425D	043489-3HS0-2022	1,401,584	563,261
COVID-19 Education Stabilization Fund (ARP ESSER)	84.425U	043489-3HS0-2022	25,852,440	38,136,233
COVID-19 Education Stabilization Fund (ARP Homeless Round 1)	84.425W	043489-3HZ0-2022	45,945	52,451
COVID-19 Education Stabilization Fund (ARP Homeless Round II)	84.425U	043489-3HZ0-2022	74,524	90,904
Total Education Stabilization Fund			27,479,629	38,888,915
TOTAL U.S. DEPARTMENT OF EDUCATION			56,741,336	69,487,970

AKRON CITY SCHOOL DISTRICT
SUMMIT COUNTY

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR *Pass Through Grantor* **Program / Cluster Title**	**Assistance Listing Number**	**Pass-Through Entity Identifying Number**	**Total Federal Receipts**	**Total Federal Expenditures**
U.S. DEPARTMENT OF THE TREASURY				
Passed Through Ohio Facilities Construction Commission				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA School Security Grants)	21.027	OFCC-SS1-33986	650,000	585,000
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA School Security Grants)	21.027	OFCC-SS3-34404	650,000	276,975
Total Coronavirus State and Local Fiscal Recovery Funds			1,300,000	861,975
TOTAL U.S. DEPARTMENT OF THE TREASURY			1,300,000	861,975
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through Ohio Department of Job and Family Services				
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	G-2223-17-0476	19,323	2,109
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	G-2223-17-0947-1	67,978	89,691
Total Refugee and Entrant Assistance State/Replacement Designee Administered Programs			87,301	91,800
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			87,301	91,800
U.S. DEPARTMENT OF AGRICULTURE				
Passed Through Ohio Department of Education and Workforce				
Child Nutrition Cluster:				
School Breakfast Program/Commodities	10.553	N/A	48,687	44,883
National School Lunch Program/Commodities	10.555	N/A	727,031	700,480
Total Food Distribution			775,718	745,363
School Breakfast Program	10.553	043489-3L70-2023	2,957,420	2,957,420
National School Lunch Program	10.555	043489-3L60-2023	9,891,319	11,379,270
COVID-19 National School Lunch Program (Supply Chain Assistance)	10.555	043489-3L60-2023	502,094	502,094
Summer Food Service Program for Children	10.559	043489-3GE0-2023	287,845	287,845
Total Food Service Programs			13,638,678	15,126,629
Fresh Fruit & Vegetable Program	10.582	043489-3GG0-2022	64,284	-
Fresh Fruit & Vegetable Program	10.582	043489-3GG0-2023	406,844	409,811
Total Fresh Fruit & Vegetable Program			471,128	409,811
Total Child Nutrition Cluster			14,885,524	16,281,803
Pandemic EBT Administratiive Costs	10.649	043489-3HF0-2023	5,950	5,950
			5,950	5,950
TOTAL U.S. DEPARTMENT OF AGRICULTURE			14,891,474	16,287,753
U.S. DEPARTMENT OF DEFENSE				
Direct				
Air Force R.O.T.C. Grant	12.xxx	N/A	61,702	61,702
Army R.O.T.C. Grant	12.xxx	N/A	76,735	76,735
Marines R.O.T.C. Grant	12.xxx	N/A	77,195	77,195
Navy R.O.T.C. Grant	12.xxx	N/A	34,610	34,610
Total R.O.T.C. Grants			250,242	250,242
TOTAL U.S. DEPARTMENT OF DEFENSE			250,242	250,242
TOTAL FEDERAL ASSISTANCE			73,270,353	88,973,385

The accompanying notes are an integral part of this schedule.

AKRON CITY SCHOOL DISTRICT
SUMMIT COUNTY

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

NOTE F - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

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

Program Title	AL Number	Amount Transferred	
Title I – Improving Basic Prog.	84.010A	$	2,056,118
Title I – Delinquent	84.010A	$	40,608
Title II - A Supporting Effective Instruction	84.367A	$	261,791
Title III – Language Instruction for English Learners	84.365A	$	176,598
Title IV - A – Student Support and Academic Enrichment	84.424A	$	875,169
IDEA – B	84.027A	$	3,824,699
IDEA – B Early Childhood	84.173A	$	31,564

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OHIO AUDITOR OF STATE
KEITH FABER

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

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

Akron City School District
Summit County
10 North Main Street
Akron, Ohio 44308

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Akron City School District, Summit County, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 25, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio

March 25, 2024

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

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

Akron City School District
Summit County
10 North Main Street
Akron, Ohio 44308

To the Board of Education:

Report on Compliance for each Major Federal Program

Opinion on each Major Federal Program

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

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

Basis for Opinion on each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor’s Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

March 25, 2024

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AKRON CITY SCHOOL DISTRICT
SUMMIT COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	COVID-19 Elementary and Secondary School Emergency Relief Fund (AL# 84.425) Title I - Grants to Local Educational Agencies (AL# 84.010)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $2,669,202 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

APPENDIX C-2

Audited Basic Financial Statements from the School District's Financial Report for Fiscal Year 2024

OHIO AUDITOR OF STATE
KEITH FABER

AKRON CITY SCHOOL DISTRICT

SUMMIT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 4/8/2025

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

APPENDIX D

Proposed Text of Opinion of Bond Counsel

We have served as bond counsel to our client Akron City School District, Ohio (the "School District"), in connection with the issuance by the School District of its $27,500,000* School Improvement Notes, Series 2025 (the "Notes"), dated the date of this letter, and issued for the purpose of constructing, furnishing, and equipping a new high school to replace the School District's existing North High School, with related site improvements and appurtenances thereto; acquiring, constructing, furnishing, and equipping new facilities for school district purposes, with related site improvements and appurtenances thereto; and acquiring land, and interests in land relating thereto.

In our capacity as bond counsel, we have examined the transcript of proceedings relating to the issuance of the Bonds, a copy of the signed and authenticated Bond of the first maturity and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that under existing law:

1. The Bonds constitute valid and binding general obligations of the School District, and the principal of and interest on the Bonds, unless paid from other sources, are to be paid from the proceeds of the levy of ad valorem taxes, unlimited as to amount or rate, on all property subject to ad valorem taxes levied by the Board of Education of the School District.

2. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on, and any profit made on the sale, exchange or other disposition of, the Notes are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes. We express no opinion as to any other tax consequences regarding the Bonds.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined and (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the School District.

In rendering those opinions with respect to the treatment of the interest on the Bonds under the federal tax laws, we further assume and rely upon compliance with the covenants in the proceedings and documents we have examined, including those of the School District. Failure to comply with certain of those covenants subsequent to issuance of the Bonds may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

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* Preliminary, subject to change.

The rights of the owners of the Bonds and the enforceability of the Bonds are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities.

No opinions other than those expressly stated herein are implied or shall be inferred as a result of anything contained in or omitted from this letter. The opinions expressed in this letter are stated only as of the time of its delivery, and we disclaim any obligation to revise or supplement this letter thereafter. Our engagement as bond counsel in connection with the original issuance and delivery of the Bonds is concluded upon delivery of this letter.

Respectfully submitted,

APPENDIX E

Book-Entry System; DTC

Book-Entry System

The information set forth in the following numbered paragraphs is based on information provided by The Depository Trust Company in its "Sample Offering Document Language Describing DTC and Book-Entry-Only Issuance" (June 2013). As such, the School District believes it to be reliable, but the School District takes no responsibility for the accuracy or completeness of that information. It has been adapted to the Bond issue by substituting "Bonds" for "Securities," "School District" for "Issuer" and "Bond Registrar" for "registrar" and by the addition of the italicized language set forth in the text. See also the additional information following those numbered paragraphs.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each (*maturity*) of the Bonds (*and interest rate within a maturity*), each in the aggregate principal amount of such (*maturity*), and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly- owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. (*This internet site is included for reference only, and the information in this internet site is not incorporated by reference in this Official Statement.*)

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect

Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividends (*debt charges payments*) on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School District or the Bond Registrar, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar, or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends (*debt charges*) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. (*Not Applicable to the Bonds.*)

10. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the School District or the Bond Registrar. Under

such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed (*or otherwise produced*) and delivered.

11. The School District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed (*or otherwise produced*) and delivered to DTC. (*See also* **Revision of Book-Entry System; Replacement Bonds**.)

12. The information (*above*) in this section concerning DTC and DTC's book-entry system has been obtained from sources that the School District believes to be reliable, but the School District takes no responsibility for the accuracy thereof.

Direct Participants and Indirect Participants may impose service charges on Beneficial Owners in certain cases. Purchasers of book-entry interests should discuss that possibility with their brokers.

The School District and the Bond Registrar have no role in the purchases, transfers or sales of book-entry interests. The rights of Beneficial Owners to transfer or pledge their interests, and the manner of transferring or pledging those interests, may be subject to applicable state law. Beneficial Owners may want to discuss with their legal advisors the manner of transferring or pledging their book-entry interests.

The School District and the Bond Registrar have no responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, beneficial ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The School District and the Bond Registrar cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute to the Beneficial Owners payments of debt charges on the Bonds made to DTC as the registered owner, or redemption, if any, or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve or act in a manner described in this Official Statement.

For all purposes under the Bond proceedings (except the Continuing Disclosure Agreement under which others as well as DTC may be considered an owner or holder of the Bonds, see **Continuing Disclosure Agreement**), DTC will be and will be considered by the School District and the Bond Registrar to be the owner or holder of the Bonds.

Beneficial Owners will not receive or have the right to receive physical delivery of Bonds, and, except to the extent they may have rights as Beneficial Owners or holders under the Continuing Disclosure Agreement, will not be or be considered by the School District and the Bond Registrar to be, and will not have any rights as, owners or holders of Bonds under the Bond proceedings.

Reference herein to "DTC" includes when applicable any successor securities depository and the nominee of the depository.

Revision of Book-Entry System; Replacement Bonds

The Bond proceedings provide for issuance of fully-registered Bonds (Replacement Bonds) directly to owners of Bonds other than DTC only in the event that DTC (or a successor securities depository) determines not to continue to act as securities depository for the Bonds. Upon occurrence of this event, the School District may in its discretion attempt to have established a securities depository book-entry relationship with another securities depository. If the School District does not do so, or is unable to do so, and after the Bond Registrar has made provision for notification of the Beneficial Owners of the Bonds by appropriate notice to DTC, the School District and the Bond

Registrar will authenticate and deliver Replacement Bonds of any one maturity and interest rate within a maturity, if applicable, in authorized denominations, to or at the direction of any persons requesting such issuance, and, if the event is not the result of School District action or inaction, at the expense (including legal and other costs) of those requesting.

Debt charges on Replacement Bonds will be payable when due without deduction for the services of the Bond Registrar as paying agent. Principal of and any premium on Replacement Bonds, and interest on Replacement Capital Appreciation Bonds, will be payable when due to the registered owner upon presentation and surrender at the designated corporate trust office of the Bond Registrar. Interest on Replacement Current Interest Bonds will be payable on the interest payment date by the Bond Registrar by transmittal to the registered owner of record on the Bond Register as of the 15th day preceding the interest payment date. Replacement Bonds will be exchangeable for other Replacement Bonds of authorized denominations, and transferable, at the designated corporate trust office of the Bond Registrar without charge (except taxes or governmental fees). Exchange or transfer of then-redeemable Replacement Bonds is not required to be made: (i) between the 15th day of the calendar month next preceding the mailing of notice of redemption of Replacement Bonds and the date of that mailing, or (ii) of a particular Replacement Bond selected for redemption (in whole or part).

APPENDIX F

Proposed Form of Continuing Disclosure Agreement

$27,500,000*
Akron City School District, Ohio
School Improvement Notes, Series 2025

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT, dated as of _________, 2025 (the Agreement), is made, signed and delivered by **AKRON CITY SCHOOL DISTRICT, OHIO**, a school district and political subdivision duly organized and existing under the laws of the State of Ohio (the School District), for the benefit of the Holders and Beneficial Owners (as defined herein) from time to time of the School District's $27,500,000* School Improvement Notes Series 2025 (the Notes), authorized Resolution No. 25-073, adopted by the Board of Education of the School District on May 27, 2025 (the Note Resolution).

RECITAL

The School District, by adoption of the Note Resolution, has determined to issue the Notes to provide funds for School District purposes, and Stifel, Nicolaus & Company, Incorporated (, the Participating Underwriter), has agreed to provide those funds to the School District by purchasing the Notes. As a condition to the purchase of the Notes from the School District and the sale of Notes to Holders and Beneficial Owners, the Participating Underwriter is required to reasonably determine that the School District has undertaken, in a written agreement for the benefit of Holders and Beneficial Owners of the Notes, to provide certain information in accordance with the Rule (as defined herein).

NOW, THEREFORE, in accordance with the Note Resolution, the School District covenants and agrees as set forth in this Continuing Disclosure Agreement.

Section 1. Purpose of Continuing Disclosure Agreement. This Agreement is being entered into, signed and delivered for the benefit of the Holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriter of the Notes in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (SEC) pursuant to the Securities Exchange Act of 1934, as may be amended from time to time (the Rule).

Section 2. Definitions. In addition to the definitions set forth above, the following capitalized terms shall have the following meanings in this Agreement, unless the context clearly otherwise requires. Reference to "Sections" shall mean sections of this Agreement.

"Annual Filing" means any Annual Information Filing provided by the School District pursuant to, and as described in, Sections 3 and 4.

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* Preliminary, subject to change.

"Audited Financial Statements" means the audited basic financial statements of the School District, prepared in conformity with generally accepted accounting principles.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"EMMA" means the Electronic Municipal Market Access system of the MSRB; information regarding submissions to EMMA is available at http://emma.msrb.org.

"Filing Date" means the last day of the ninth month following the end of each Fiscal Year (or the next succeeding business day if that day is not a business day), beginning March 31, 2026 (as to the financial information and operating data described in Section 4(a), starting with such information and data for Fiscal Year 2025), and, as to the Audited Financial Statements, when and if available, starting with the Audited Financial Statements for Fiscal Year 2025, when and if available.

"Financial Obligation" means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation or (iii) guarantee of an obligation or instrument described in either clause (i) or (ii). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the 12-month period beginning on July 1 of each year or such other 12-month period as the School District shall adopt as its fiscal year.

"Holder" means, with respect to the Notes, the person in whose name a Note is registered in accordance with the Note Resolution.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person" means, any person, including the issuer of municipal securities (such as the Notes), who is generally committed by contract or other arrangement to support payment of all or part of the obligations on the municipal securities being sold in an offering document (such as the Official Statement); the School District is the only Obligated Person for the Notes.

"Official Statement" means the Official Statement for the Notes dated ________, 2025.

"Participating Underwriter" means any of the original underwriter of the Notes required to comply with the Rule in connection with offering of the Notes.

"Specified Events" means any of the events with respect to the Notes as set forth in Section 5(a).

"State" means the State of Ohio.

Section 3. Provision of Annual Information.

(a) The School District shall provide (or cause to be provided) not later than the Filing Date to the MSRB an Annual Filing, which is consistent with the requirements of Section 4. The Annual Filing shall be submitted in an electronic format and contain such identifying information as is prescribed by the MSRB, and may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4; provided that the Audited Financial Statements of the School District may be submitted separately from the balance of the Annual Filing and later than the Filing Date if they are not available by that date. If the School District's Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) If the School District is unable to provide to the MSRB an Annual Filing by the Filing Date, the School District shall, in a timely manner, send a notice to the MSRB in an electronic format as prescribed by the MSRB.

Section 4. Content of Annual Filing. The School District's Annual Filing shall contain or include by reference the following:

(a) Financial information and operating data of the type included in the Official Statement under the captions: the table of the historical and projected enrollment in the School District's schools under **The School System – Enrollment**; **Ad Valorem Property Taxes – Assessed Valuation** (including the table of the largest School District taxpayers), – **Collections** and – **Delinquencies**, together with information as to overlapping and School District tax rates; **State School Funding System**; **School District Debt and Other Long-Term Obligations**, including **Debt Tables**, as applicable; and **Appendices A** and **B-2**.

(b) The Audited Financial Statements of the School District utilizing generally accepted accounting principles applicable to governmental units as described in the Official Statement, except as may be modified from time to time and described in such financial statements.

The foregoing shall not obligate the School District to prepare or update projections of any financial information or operating data.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the School District or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. The School District shall clearly identify each such other document so included by reference.

Section 5. Reporting Specified Events.

(a) The School District shall provide (or cause to be provided) to the MSRB, in an electronic format and containing such identifying information as is prescribed by the MSRB and in a timely manner but not later than ten business days after the occurrence of the event, notice of any of the following events with respect to the Notes, as specified by the Rule:

(1) Principal and interest payment delinquencies;
(2) Non-payment related defaults, if material;
(3) Unscheduled draws on debt service reserves reflecting financial difficulties; (a)
(4) Unscheduled draws on credit enhancements reflecting financial difficulties; (a)

(5) Substitution of credit or liquidity providers, or their failure to perform; (a)

(6) (Issuance of) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security (*i.e.*, the Notes), or other material events affecting the tax status of the security;

(7) Modifications to rights of security holders, if material;

(8) Bond calls, if material, and tender offers; (b)

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the securities, if material; (c)

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the Obligated Person; Note: For the purposes of the event identified in this subparagraph, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

(13) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

Note:

(a) The School District has not obtained or provided, and does not expect to obtain or provide, any debt service reserves, credit enhancements or credit or liquidity providers for the Notes.

(b) Any scheduled redemption of Notes pursuant to mandatory sinking fund redemption requirements does not constitute a specified event within the meaning of the Rule.

(c) Repayment of the Notes is not secured by a lien on any property capable of release or sale or for which other property may be substituted.

For the Specified Events described in Section 5(a) (2), (6, as applicable), (7), (8, as applicable), (10), (13), (14) and (15), the School District acknowledges that it must make a determination whether such Specified Event is material under applicable federal securities laws in order to determine whether a filing is required.

Section 6. Amendments. The School District reserves the right to amend this Agreement, and noncompliance with any provision of this Agreement may be waived, as may be necessary or appropriate to (a) achieve its compliance with any applicable federal securities law or rule, (b) cure any ambiguity, inconsistency or formal defect or omission and (c) address any change in circumstances arising from a change in legal requirements, change in law or change in the identity, nature or status of the School District or type of business conducted by the School District. Any such amendment or waiver shall not be effective unless the Agreement (as amended or taking into account such waiver) would have materially complied with the requirements of the Rule at the time of the primary offering of the Notes, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until the School District shall have received either (i) a written opinion of bond counsel or other qualified independent special counsel selected by the School District that the amendment or waiver would not materially impair the interests of Holders or Beneficial Owners, or (ii) the written consent to the amendment or waiver of the Holders of at least a majority of the principal amount of the Notes then outstanding. An Annual Filing containing any revised operating data or financial information shall explain, in narrative form, the reasons for any such amendment or waiver and the impact of the change on the type of operating data or financial information being provided. If the amendment relates to the accounting principles to be followed in preparing Audited Financial Statements, (A) the School District shall provide notice of such change in the same manner as for a Specified Event under Section 5 and (B) the Annual Filing for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements or information as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Agreement shall be deemed to prevent the School District from disseminating any other information, using the means of dissemination set forth in this Agreement or providing any other means of communication, or including any other information in any Annual Filing or providing notice of the occurrence of an event, in addition to that which is required by this Agreement. If the School District chooses to include any information in any document or notice of occurrence of an event in addition to that which is specifically required by this Agreement, the School District shall have no obligation under this Agreement to update such information or include it in any future Annual Filing or notice of occurrence of a Specified Event.

Section 8. Remedy for Breach. This Agreement shall be solely for the benefit of the Holders and Beneficial Owners from time to time of the Notes. The exclusive remedy for any breach of the Agreement by the School District shall be limited, to the extent permitted by law, to a right of Holders and Beneficial Owners to institute and maintain, or to cause to be instituted and maintained, such proceedings as may be authorized at law or in equity to obtain the specific performance by the School District of its obligations under this Agreement in a court in the County of Lorain, Ohio. Any such proceedings shall be instituted and maintained only in accordance with Section 133.25(B)(4)(b) or (C)(1) of the Revised Code (or any like or comparable successor provisions); provided that any Holder or Beneficial Owner may exercise individually any such right to require the School District to specifically perform its obligation to provide or cause to be provided a pertinent filing if such a filing is due and has not been made. Any Beneficial Owner seeking to require the School District to comply with this Agreement shall first provide at least 30 days' prior written notice to the School District of the School District's failure, giving reasonable detail of such failure, following which notice the School District shall have 30 days to comply. A default under this Agreement shall not be deemed an event of default under the Note Resolution, and the sole remedy under this Agreement in the event of any failure of the School District to comply with this Agreement shall be an action to compel performance. No person or entity shall be entitled to recover monetary damages under this Agreement.

Section 9. Appropriation. The performance by the School District of its obligations under this Agreement shall be subject to the availability of funds and their annual appropriation to meet costs that the School District would be required to incur to perform those obligations. The School District shall provide notice to the MSRB in the same manner as for a Specified Event under Section 5 of the failure to appropriate funds to meet costs to perform the obligations under this Agreement.

Section 10. Termination. The obligations of the School District under the Agreement shall remain in effect only for such period that the Notes are outstanding in accordance with their terms and the School District remains an Obligated Person with respect to the Notes within the meaning of the Rule. The obligation of the School District to provide the information and notices of the events described above shall terminate, if and when the School District no longer remains such an Obligated Person. If any person, other than the School District, becomes an Obligated Person relating to the Notes, the School District shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Section 11. Dissemination Agent. The School District may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 12. Beneficiaries. This Agreement shall inure solely to the benefit of the School District, any dissemination agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

Section 13. Recordkeeping. The School District shall maintain records of all Annual Filings and notices of Specified Events and other events, including the content of such disclosure, the names of the entities with whom such disclosures were filed and the date of filing such disclosure.

Section 14. Governing Law. This Agreement shall be governed by the laws of the State.

[Signature Page Follows]

IN WITNESS WHEREOF, the School District has caused this Continuing Disclosure Agreement to be duly signed and delivered to the Participating Underwriter, as part of the Note proceedings and in connection with the original delivery of the Notes to the Participating Underwriter, on its behalf by its officials signing below, all as of the date set forth above, and the Holders and Beneficial Owners from time to time of the Notes, shall be deemed to have accepted this Agreement made in accordance with the Rule.

AKRON CITY
SCHOOL DISTRICT, OHIO

By: *Exhibit – Not for Signature*
President, Board of Education

By: *Exhibit – Not for Signature*
Superintendent

By: *Exhibit – Not for Signature*
Treasurer, Board of Education

**CERTIFICATE OF FISCAL OFFICER –
CONTINUING DISCLOSURE AGREEMENT**

As fiscal officer of Akron City School District, Ohio, I certify that the amount required to meet the obligation of the School District under the Agreement made by the School District in accordance with the Rule, as set forth in the Note Resolution and the attached Continuing Disclosure Agreement, during Fiscal Year 2025, has been lawfully appropriated by the School District for such purpose and is in the School District treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrances. This Certificate is given in compliance with Section 5705.41 of the Revised Code.

Dated: __________, 2025

Exhibit – Not for Signature
Treasurer, Board of Education
Akron City School District, Ohio