OHIO AUDITOR OF STATE
KEITH FABER

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY
JUNE 30, 2022

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ADAMS COUNTY
JUNE 30, 2022

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

INDEPENDENT AUDITOR'S REPORT

Manchester Local School District
Adams County
130 Wayne Frye Drive
Manchester, Ohio 45144

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Manchester Local School District, Adams County, Ohio (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Manchester Local School District, Adams County, Ohio as of June 30, 2022, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and Elementary and Secondary School Emergency Relief (ESSER) funds 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.

Emphasis of Matter

As discussed in Note 18 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the School District. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Required Supplementary Information

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of 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 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio
March 20, 2023

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MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

Financial Highlights

Key financial highlights for 2022 are as follows:

- The District's net position of governmental activities increased $3,677,337, which represents a 13.78% increase from 2021's net position.

- General revenues for governmental activities, accounted for $10,212,660 in revenue or 68.25% of all revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for $4,750,920 or 31.75% of total governmental activities revenues of $14,963,580.

- The District had $11,286,243 in expenses related to governmental activities; only $4,750,920 of these expenses was offset by program specific charges for services or grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of $10,212,660 were adequate to provide for these programs.

- The District had three major governmental funds: the general fund, bond retirement fund, and the elementary and secondary school emergency fund. The general fund had $10,915,797 in revenues and $8,834,423 in expenditures. The general fund's fund balance increased $2,081,374 from $6,827,618 to $8,908,992.

- The elementary and secondary school emergency relief (ESSER) fund had $2,202,166 in revenues and $2,282,720 in expenditures. The elementary and secondary school emergency fund's fund balance decreased $80,554 from $0 to a deficit of $80,544.

- The bond retirement fund had $205,592 in revenues and $1,535,815 in expenditures. The bond retirement fund's fund balance decreased $1,330,223 from $1,351,885 to $21,662.

Using the Basic Financial Statements (BFS)

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

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

Reporting the District as a Whole

Statement of net position and the statement of activities

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

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

On the statement of net position and in the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

The District's statement of net position and statement of activities can be found on pages 21 - 22 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 15. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, the ESSER fund, and the bond retirement fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* are reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 23 - 27 of this report.

Reporting the District's Fiduciary Responsibilities

The District's fiduciary activities are reported in separate statement of net position and statement of changes in fiduciary net position on page 29 and 30. The District's fiduciary activities account for scholarship programs for which the District has no administrative involvement in the scholarship award process. These activities are reported in custodial funds. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 31 - 72.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability. The required supplementary information can be found on pages 74 - 92 of this report.

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The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2022 and 2021. Certain 2021 amounts have been restated as described in Note 3.A.

	Net Position - Governmental Activities	
	2022	Restated 2021
Assets		
Current and other assets	$ 14,365,816	$ 14,290,335
Net OPEB asset	712,019	637,610
Capital assets, net	30,334,372	30,057,138
Total assets	45,412,207	44,985,083
Deferred outflows of resources		
Pension	2,147,619	1,842,576
OPEB	203,987	256,486
Total deferred outflows	2,351,606	2,099,062
Liabilities		
Current liabilities	1,252,555	1,184,421
Long-term liabilities:		
Due within one year	117,887	1,550,825
Due in more than one year:		
Net pension liability	5,512,743	11,149,449
Net OPEB liability	624,155	786,171
Other amounts	761,765	794,549
Total liabilities	8,269,105	15,465,415
Deferred inflows of resources		
Property taxes	2,205,875	2,668,799
Pensions	5,453,801	807,620
OPEB	1,470,021	1,454,637
Total deferred inflows	9,129,697	4,931,056
Net Position		
Net investment in capital assets	30,122,968	28,337,277
Restricted	580,748	2,051,167
Unrestricted (deficit)	(338,705)	(3,700,770)
Total net position	$ 30,365,011	$ 26,687,674

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

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

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

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

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

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

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

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

Analysis of Net Position

Over time, net position can serve as a useful indicator of a District's financial position. At June 30, 2022, the District's assets and deferred outflows of resources exceeded liabilities plus deferred inflows of resources by $30,365,011.

Current and other assets increased primarily due to an increase in intergovernmental receivables and equity in pooled cash and cash equivalents. At year-end, capital assets represented 66.38% of total assets. Capital assets include land, land improvements, construction in progress, buildings and improvements, furniture and equipment, buses and other vehicles, and an intangible right to use assets. The net investment in capital assets at June 30, 2022, was $30,122,968. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

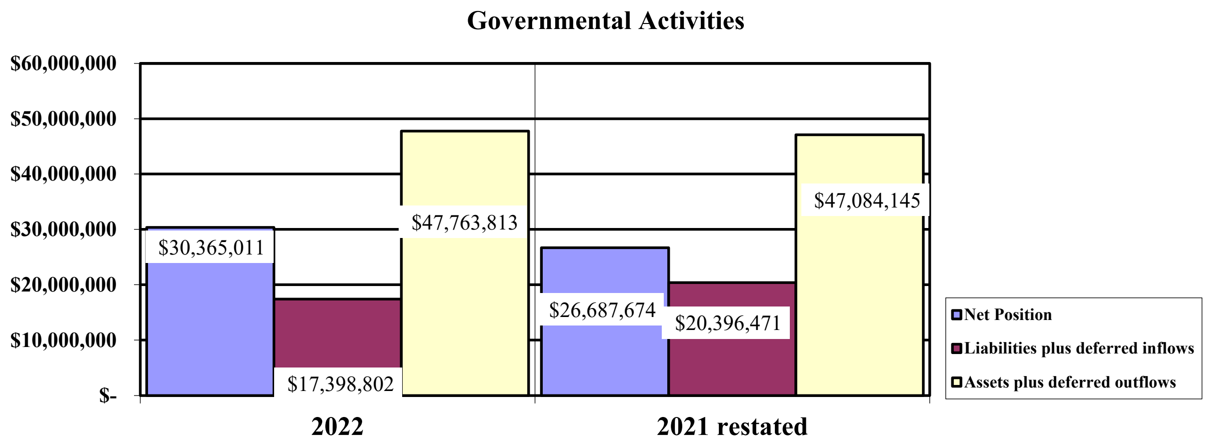
Deferred outflows related to pension increased primarily due to changes in assumptions by the State Teachers Retirement System (STRS). See Note 11 for more detail.

Long-term liabilities decreased due to a reduction in the District's net pension Liability. In addition, the District made required principal payments on long-term debt. The net pension and net OPEB liabilities are outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it is the pension systems that collect, hold and distribute pensions and OPEB to District employees, not the District.

The net pension liability decreased $5,636,706 or 50.56% and deferred inflows of resources related to pension increased $4,646,181 or 575.29%. These changes were the result of changes at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). Net investment income on investments at both pension systems exceeded estimates for the fiscal year 2021 measurement that are used for the fiscal year 2022 reporting which caused a large increase in their respective fiduciary net positions.

A portion of the District's net position, $580,748, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of $338,705 which is primarily caused by the reporting of the net pension liability and net OPEB liability described on page 7.

The graph on the following page illustrates the District's governmental activities assets plus deferred outflows, liabilities plus deferred inflows and net position at June 30, 2022 and 2021.



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The table below shows the change in net position for fiscal years 2022 and 2021.

	Change in Net Position - Governmental Activities	
Revenues	2022	2021
Program revenues:		
Charges for services and sales	$ 302,608	$ 610,055
Operating grants and contributions	4,448,312	2,658,691
General revenues:		
Property taxes	1,793,340	1,618,802
Grants and entitlements not restricted to specific programs	8,434,679	7,625,092
(Decrease) in fair value of investments	(93,051)	-
Investment earnings	24,762	20,028
Miscellaneous	52,930	37,633
Total revenues	14,963,580	12,570,301
Expenses		
Program expenses:		
Instruction:		
Regular	4,026,967	5,125,167
Special	1,837,838	1,978,002
Vocational	412,461	367,164
Other	299,362	89,034
Support services:		
Pupil	762,366	526,105
Instructional staff	203,006	162,122
Board of education	87,691	83,777
Administration	646,488	794,202
Fiscal	308,188	1,493,372
Operations and maintenance	980,688	1,028,409
Pupil transportation	548,561	510,939
Central	83,247	86,096
Operation of non-instructional services:		
Food service operations	478,142	445,839
Other non-instructional services	71,702	226,598
Extracurricular activities	506,939	469,831
Interest and fiscal charges	32,597	57,416
Total expenses	11,286,243	13,444,073
Change in net position	3,677,337	(873,772)
Net position at beginning of year	26,687,674	27,561,444
Net position at end of year	$ 30,365,011	$ 26,687,674

Governmental Activities

The net position of the District's governmental activities increased $3,677,337. Total governmental expenses of $11,286,243 were offset by program revenues of $4,750,920 and general revenues of $10,212,660. Program revenues supported 42.09% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements not restricted to a specific program. These two revenue sources represent 68.35% of total governmental revenue.

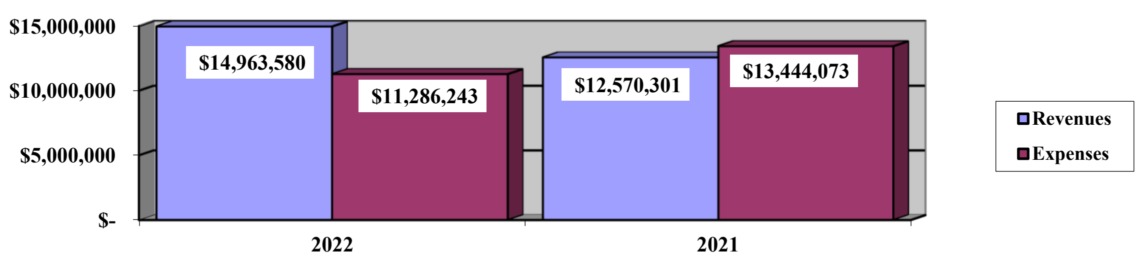
Charges for services and sales program revenue decreased primarily due to less tuition and fees revenue in fiscal year 2022. Operating grants and contributions increased due primarily to an increase in American Rescue Plan Act funding received.

During fiscal year 2022, the District experienced an increase in property tax revenues due to an approximate $3,044,660 increase in total personal public utility property assessed valuation. Grants and entitlements not restricted to a particular program increased due to State of Ohio funding. The increase in earnings on investment revenues is due primarily to more monies being invested in higher interest rate investments, like negotiable CD's, in fiscal year 2022 compared to fiscal year 2021. Miscellaneous revenues increased primarily due to an increase of other local revenues in the general fund.

Overall, expenses of the governmental activities decreased $2,157,830 or 16.05%. This decrease is primarily the result of a decrease in pension expense. Pension expense decreased approximately $1,536,295. This decrease was the result of a decrease in expenses incurred at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS) due to an increase in net investment income on investments compared to previous years.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2022 and 2021.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2022 and 2021. It identifies the cost of services supported by tax revenue and unrestricted State grants and entitlements.

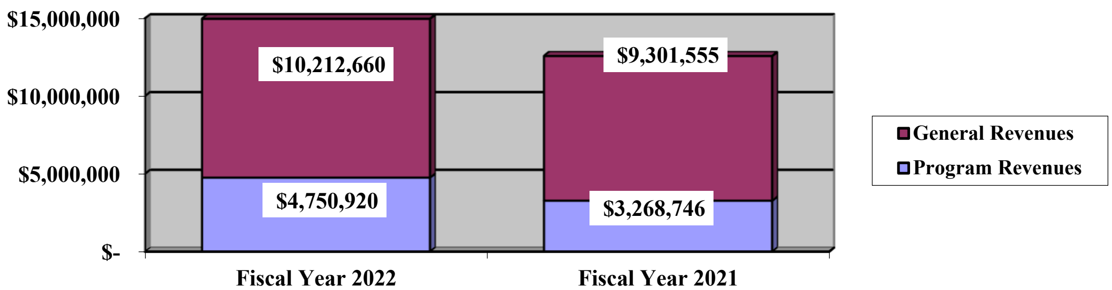
Governmental Activities

	Total Cost of Services 2022	Net Cost of Services 2022	Total Cost of Services 2021	Net Cost of Services 2021
Instruction:				
Regular	$ 4,026,967	$ 2,472,986	$ 5,125,167	$ 4,332,921
Special	1,837,838	540,330	1,978,002	937,717
Vocational	412,461	357,215	367,164	305,322
Other	299,362	(227,951)	89,034	(42,928)
Support services:				
Pupil	762,366	121,483	526,105	164,896
Instructional staff	203,006	110,209	162,122	48,271
Board of Education	87,691	87,691	83,777	83,777
Administration	646,488	642,154	794,202	794,202
Fiscal	308,188	307,330	1,493,372	1,493,372
Operations and maintenance	980,688	918,635	1,028,409	897,655
Pupil transportation	548,561	515,074	510,939	492,510
Central	83,247	83,247	86,096	86,096
Operation of non-instructional services:				
Food service operations	478,142	(210,111)	445,839	(3,237)
Other non-instructional services	71,702	52,401	226,598	135,308
Extracurricular activities	506,939	379,159	469,831	392,025
Interest and fiscal charges	32,597	32,597	57,416	57,416
Total expenses	$ 11,286,243	$ 6,182,449	$ 13,444,073	$ 10,175,323

The dependence upon general revenues during fiscal year 2022 for governmental activities is apparent, as 52.64% of 2022 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 57.91% in 2022. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, as a whole, are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2022 and 2021.

Governmental Activities - General and Program Revenues



The District's Funds

During 2022 the District's governmental funds reported a combined fund balance of $10,552,650, which is more than last year's total of $10,045,819. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2022 and 2021.

	Fund Balance June 30, 2022	Fund Balance June 30, 2021	Increase (Decrease)	Percentage Change
General	$ 8,908,992	$ 6,827,618	$ 2,081,374	30.48 %
Debt Service	21,662	1,351,885	(1,330,223)	(98.40) %
Elementary and Secondary School emergency	(80,554)	-	(80,554)	(100.00) %
Other Governmental	1,702,550	1,866,316	(163,766)	(8.77) %
Total	$ 10,552,650	$ 10,045,819	$ 506,831	5.05 %

General Fund

The District's general fund balance increased $2,081,374. The tables below assist in illustrating the financial activities of the general fund.

	2022 Amount	2021 Amount	Increase (Decrease)	Percentage Change
Revenues				
Property taxes	$ 1,766,779	$ 1,573,902	$ 192,877	12.25 %
Tuition and Fees	137,203	519,099	(381,896)	(73.57) %
Earnings on investments	(55,349)	16,073	(71,422)	(444.36) %
Intergovernmental	8,997,324	7,697,223	1,300,101	16.89 %
Other revenues	69,840	32,973	36,867	111.81 %
Total	$ 10,915,797	$ 9,839,270	$ 1,076,527	10.94 %
Expenditures				
Instruction	$ 5,489,822	$ 6,032,152	$ (542,330)	(8.99) %
Support services	3,055,448	4,012,786	(957,338)	(23.86) %
Operation of non-instructional services	70,621	141,201	(70,580)	(49.99) %
Extracurricular activities	218,532	182,550	35,982	19.71 %
Total	$ 8,834,423	$ 10,368,689	$ (1,534,266)	(14.80) %

Property tax revenue increased due to an increase in assessed valuations and subsequent collections of total personal public utility taxes. Intergovernmental revenue increased due to increased funding from the State of Ohio. Other revenues increased primarily due to more miscellaneous receipts during the fiscal year. Earnings on investments decreased due to a decrease in the fair value of investments.

Overall, expenditures in the general fund decreased 14.80% from the previous year. Expenditures decreased in instruction due to a decrease in regular instruction. Expenditures decreased in support services and operation of non-instructional services due to an decrease in fiscal expenditures in fiscal 2022. Extracurricular expenditures increased due to increased extracurricular activities being offered as the COVID-19 pandemic comes to an end.

Elementary and Secondary School Emergency Fund

The elementary and secondary school emergency fund (ESSER) had $2,202,166 in revenues and $2,282,720 in expenditures. During fiscal year 2022, the ESSER fund balance decreased from $0 to a deficit balance of $80,554.

Bond Retirement Fund

The bond retirement fund is a major fund of the District and accounts for the accumulation of resources for the payment of principal and interest on the District's bond obligations. The bond retirement fund had $205,592 in revenues and $1,535,815 in expenditures. During fiscal year 2022, the bond retirement fund's fund balance decreased $1,330,223 from $1,351,885 to $21,662. This decrease was primarily caused by a larger payment towards the District's current debt service items.

Other Governmental Funds

The other governmental funds had $1,681,266 in revenues and $1,845,032 in expenditures. The other governmental fund's fund balance decreased $163,766 from $1,866,316 to $1,702,550. This decrease is due primarily to a decrease in the amount of state funding received in fiscal year 2022.

General Fund Budgeting Highlights

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

During fiscal year 2022, the District made amendments its general fund budget. For the general fund, original and final budgeted revenues and other financing sources were $9,067,359 and $10,900,711, respectively. The actual revenues and other financing sources were $10,904,509, which was $3,798 higher than the final budget revenues.

General fund original and final appropriations and other financing uses were $11,727,870 and $9,664,776, respectively. The actual budget basis appropriations and other financing uses for fiscal year 2022 totaled $9,181,154, which were $483,622 less than final budgeted appropriations.

Capital Assets and Debt Administration

Capital Assets

During fiscal year 2022, the District had $30,334,372 invested in land, land improvements, construction in progress, buildings and improvements, furniture and equipment, buses and other vehicles, and intangible right to use assets. This entire amount was reported in governmental activities.

The following table shows June 30, 2022 balances compared to June 30, 2021. The capital assets at June 30, 2021 have been restated as described in Note 3.

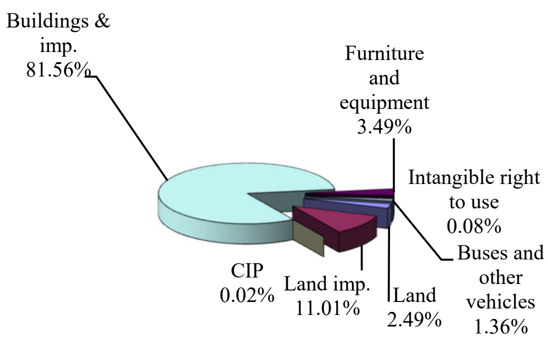
Capital Assets at June 30 (Net of Depreciation)

	Governmental Activities	
	2022	Restated 2021
Land	$ 754,455	$ 754,455
Construction in progress	5,509	-
Land improvements	3,338,568	3,472,398
Buildings and improvements	24,739,523	24,174,169
Furniture and equipment	1,059,309	1,134,884
Buses and other vehicles	412,077	471,371
Intangible right to use assets	24,931	49,861
Total	$ 30,334,372	$ 30,057,138

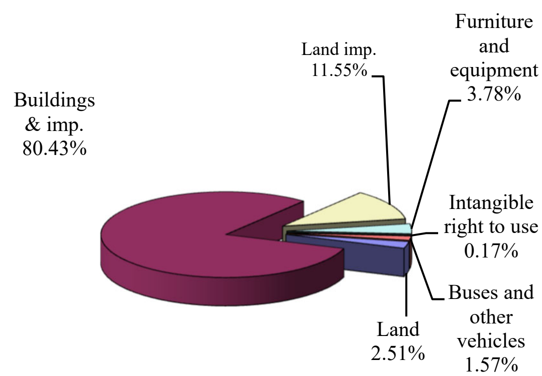
Total additions to governmental activities capital assets for 2022 were $1,293,068. Governmental activities depreciation expense for fiscal year 2022 was $1,006,845. Net disposals during fiscal year 2022 was $299,012. Overall, governmental activities capital assets of the District increased $277,234.

The graphs below show the breakdown of the governmental activities capital assets by category for 2022 and 2021.

Capital Assets - 2022



Capital Assets - 2021



See Note 8 to the basic financial statements for additional information on the District's capital assets.

Debt Administration

At June 30, 2022, the District had $25,344 in leases outstanding and $170,000 in general obligation bonds. Of this total $65,344 is due within one year and $130,000 due in more than one year.

The following table summarizes the governmental activities bonds and leases outstanding. The outstanding debt at June 30, 2021 has been restated as described in Note 3.

Outstanding Debt, at Year End

	Balance June 30, 2022	Restated Balance June 30, 2021
General obligation bonds:		
Series 2012 Refunding Bonds	$ -	$ 1,460,000
Series 2011 Energy Conservation Notes	170,000	210,000
Lease Payable	25,344	49,861
Total	$ 195,344	$ 1,719,861

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

Current Financial Related Activities

Decrease in Personal Property Public Utility Assessed Valuation

In November 2016, the District was notified by the County Auditor that, due to the sale of Duke's holding in the electric power plants to Dynegy, the sale resulted in a $59 million reduction in the personal property public utility assessed valuation. This resulted in an unexpected decrease of over $750,000 in lost tax revenue for the remainder of fiscal year 2017.

The electric generation plants have two additional partners, Dayton Power & Light/AES and American Electric Power. Both partners have been preliminarily approved devaluation of the plants for tax year 2017 resulting in an $83 million reduction in the assessed valuation, resulting in tax revenue loss of $1.8 million in fiscal year 2018 with an accumulative total of $2.5 million since fiscal year 2016. Dayton Power & Light/AES proposed to the Ohio Public Utility Commission to shut both plants down in June 2018 and both electric generation power plants shut down in June 2018. Equipment remained at the plants with a value of approximately $60 million and the plants continue to pay taxes on the equipment until it has been removed, estimated to be in tax year 2019.

Language was added to House Bill 49 to allow school districts with electric power plants being devalued to gain State foundation revenues to help offset the public utility personal property (PUPP) tax revenue losses. Qualifying affected school districts will have the revenue growth caps and the three-year assessed valuation average lifted to allow the growth of the State foundation program due to the assessed valuation decreases. House Bill 49 also allows for the State foundation re-computation at the end of the school year under ORC 3317.028 to help offset any PUPP tax revenue loss not covered under the growth of the State foundation program.

In December 2019, the electric power plants were sold to Kingfisher Development LLC for reclamation of the properties. In tax year 2020, Kingfisher Development LLC filed a complaint on the valuation of both properties for tax year 2019. As of June 30, 2020, the complaint is still in process. In October 2020, the district repaid $1,123,049.54 in taxes caused by the sale of the electric power plants.

The Biennial Budget for fiscal year 2020 and 2021 froze the State foundation revenues to what was received in fiscal 2019. It also suspended any .028 adjustments (based on ORC 3317.028) temporarily for fiscal year 2020 and 2021. The .028 adjustment would have provided additional State aide if and when valuations in the district decreased by 10 percent. In June of 2020, House Bill 164 was passed and the District received $1,318,834 in July 2020 for fiscal year 2020 and received $2,433,436.00 in June 2021 for fiscal year 2021.

The Biennial Budget for fiscal year 2022 and 2023 began the six-year phase-in of the Fair School Funding Plan formula for the State Foundation. The district received additional revenues from the State Foundation of $1,023,774.23. In addition, in June 2022 the district received $2,338,131.00 from JV19 Power Plant Devaluation. These payments occur when 'school districts and JVSDs that have a power plant in their territory and have experienced more than 10% decline in public utility valuation' per the description in the Journal Voucher codes for fiscal year 2022.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information contact Eva Elliott, Treasurer, Manchester Local School District, 130 Wayne Frye Drive, Manchester, Ohio 45144.

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MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Component Unit
Assets:		
Equity in pooled cash and cash equivalents	$ 11,260,157	$ 13,544
Cash in segregated accounts	5,042	-
Receivables:		
Property taxes	2,782,507	-
Accounts	1,006	-
Accrued interest	3,986	-
Intergovernmental	268,571	-
Prepayments	11,172	-
Materials and supplies inventory	23,781	-
Inventory held for resale	9,594	-
Net OPEB asset	712,019	-
Capital assets:		
Nondepreciable capital assets	759,964	-
Depreciable capital assets, net	29,574,408	-
Capital assets, net	30,334,372	-
Total assets	45,412,207	13,544
Deferred outflows of resources:		
Pension	2,147,619	-
OPEB	203,987	-
Total deferred outflows of resources	2,351,606	-
Liabilities:		
Accounts payable	89,877	-
Contracts payable	5,509	-
Retainage payable	5,042	-
Accrued wages and benefits payable	909,549	-
Intergovernmental payable	178,051	-
Accrued interest payable	686	-
Unearned revenue	63,841	-
Long-term liabilities:		
Due within one year	117,887	-
Due in more than one year:		
Net pension liability	5,512,743	-
Net OPEB liability	624,155	-
Other amounts due in more than one year	761,765	-
Total liabilities	8,269,105	-
Deferred inflows of resources:		
Property taxes levied for the next fiscal year	2,205,875	-
Pension	5,453,801	-
OPEB	1,470,021	-
Total deferred inflows of resources	9,129,697	-
Net position:		
Net investment in capital assets	30,122,968	-
Restricted for:		
Debt service	21,060	-
Locally funded programs	43,203	-
State funded programs	29,564	-
Federally funded programs	5,509	-
Food service operations	254,775	-
Student activities	105,621	-
Other purposes	121,016	-
Unrestricted (deficit)	(338,705)	13,544
Total net position	$ 30,365,011	$ 13,544

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Component Unit
Governmental activities:					
Instruction:					
Regular	$ 4,026,967	$ 53,334	$ 1,397,829	$ (2,575,804)	$ -
Special	1,837,838	98,234	1,001,315	(738,289)	-
Vocational	412,461	-	55,246	(357,215)	-
Other	299,362	-	508,687	209,325	-
Support services:					
Pupil	762,366	-	637,014	(125,352)	-
Instructional staff	203,006	-	70,510	(132,496)	-
Board of education	87,691	-	-	(87,691)	-
Administration	646,488	32	4,302	(642,154)	-
Fiscal	308,188	-	858	(307,330)	-
Operations and maintenance	980,688	1,750	59,127	(919,811)	-
Pupil transportation	548,561	-	30,081	(518,480)	-
Central	83,247	-	-	(83,247)	-
Operation of non-instructional services:					
Food service operations	478,142	24,598	663,655	210,111	-
Other non-instructional services	71,702	-	16,568	(55,134)	-
Extracurricular activities	506,939	124,660	3,120	(379,159)	-
Interest and fiscal charges	32,597	-	-	(32,597)	-
Totals	$ 11,286,243	$ 302,608	$ 4,448,312	(6,535,323)	-
Component units:					
Karen K Ballengee Educational Foundation	$ 7,997	$ -	$ 7,481	-	(516)
General revenues:					
Property taxes levied for:					
General purposes				1,793,340	-
Grants and entitlements not restricted to specific programs				8,434,679	-
(Decrease) in fair value of investments				(93,051)	-
Investment earnings				24,762	-
Miscellaneous				52,930	1,585
Total general revenues				10,212,660	1,585
Change in net position				3,677,337	1,069
Net position at beginning of year				26,687,674	12,475
Net position at end of year				$ 30,365,011	$ 13,544

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Elementary and Secondary School Emergency	Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents	$ 9,355,221	$ 15,024	$ 21,662	$ 1,868,250	$ 11,260,157
Cash in segregated accounts	5,042	-	-	-	5,042
Receivables:					
Property taxes	2,736,129	-	46,378	-	2,782,507
Accounts	1,006	-	-	-	1,006
Accrued interest	3,303	-	-	683	3,986
Intergovernmental	76,626	117,689	-	74,256	268,571
Prepayments	10,997	-	-	175	11,172
Materials and supplies inventory	20,232	-	-	3,549	23,781
Inventory held for resale	-	-	-	9,594	9,594
Total assets	$ 12,208,556	$ 132,713	$ 68,040	$ 1,956,507	$ 14,365,816
Liabilities:					
Accounts payable	$ 22,567	$ 25,486	$ -	$ 41,824	$ 89,877
Contracts payable	-	5,509	-	-	5,509
Retainage payable	5,042	-	-	-	5,042
Accrued wages and benefits payable	715,329	94,624	-	99,596	909,549
Intergovernmental payable	148,008	12,603	-	17,440	178,051
Unearned revenue	-	-	-	63,841	63,841
Total liabilities	890,946	138,222	-	222,701	1,251,869
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	2,159,497	-	46,378	-	2,205,875
Delinquent property tax revenue not available	245,818	-	-	-	245,818
Intergovernmental revenue not available	-	75,045	-	30,573	105,618
Accrued interest not available	3,303	-	-	683	3,986
Total deferred inflows of resources	2,408,618	75,045	46,378	31,256	2,561,297
Fund balances:					
Nonspendable:					
Materials and supplies inventory	20,232	-	-	3,549	23,781
Prepaids	10,997	-	-	175	11,172
Restricted:					
Debt service	-	-	21,662	-	21,662
Food service operations	-	-	-	266,394	266,394
State funded programs	-	-	-	29,564	29,564
Extracurricular	-	-	-	105,446	105,446
Recreation	-	-	-	43,203	43,203
Other purposes	-	-	-	121,016	121,016
Committed:					
Termination benefits	544,798	-	-	-	544,798
Assigned:					
Student instruction	13,797	-	-	-	13,797
Student and staff support	273,159	-	-	-	273,159
Extracurricular activities	8,252	-	-	-	8,252
Subsequent year's appropriations	526,785	-	-	-	526,785
Operation of non-instructional	1,697	-	-	-	1,697
Capital improvements	-	-	-	1,228,475	1,228,475
Unassigned (deficit)	7,509,275	(80,554)	-	(95,272)	7,333,449
Total fund balances (deficit)	8,908,992	(80,554)	21,662	1,702,550	10,552,650
Total liabilities, deferred inflows and fund balances	$ 12,208,556	$ 132,713	$ 68,040	$ 1,956,507	$ 14,365,816

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2022

Total governmental fund balances		$ 10,552,650
Amounts reported for governmental activities on 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.		30,334,372
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	$ 245,818	
Accrued interest receivable	3,986	
Intergovernmental receivable	105,618	
Total		355,422
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(686)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	2,147,619	
Deferred inflows - pension	(5,453,801)	
Net pension liability	(5,512,743)	
Deferred outflows - OPEB	203,987	
Deferred inflows - OPEB	(1,470,021)	
Net OPEB asset	712,019	
Net OPEB liability	(624,155)	
Total		(9,997,095)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Lease payable	(25,344)	
Compensated absences	(684,308)	
Notes payable	(170,000)	
Total		(879,652)
Net position of governmental activities		$ 30,365,011

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General	Elementary and Secondary School Emergency	Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 1,766,779	$ -	$ -	$ -	$ 1,766,779
Intergovernmental	8,997,324	2,202,166	205,592	1,533,018	12,938,100
Investment earnings	21,755	-	-	5,580	27,335
Tuition and fees	137,203	-	-	-	137,203
Extracurricular	14,365	-	-	124,660	139,025
Rental income	1,750	-	-	-	1,750
Charges for services	-	-	-	24,630	24,630
Contributions and donations	795	-	-	4,325	5,120
Miscellaneous	52,930	-	-	5,000	57,930
(Decrease) in fair value of investments	(77,104)	-	-	(15,947)	(93,051)
Total revenues	10,915,797	2,202,166	205,592	1,681,266	15,004,821
Expenditures:					
Current:					
Instruction:					
Regular	3,518,302	624,089	-	130,123	4,272,514
Special	1,544,366	2,446	-	534,319	2,081,131
Vocational	426,258	-	-	-	426,258
Other	896	205,463	-	112,064	318,423
Support services:					
Pupil	301,083	209,808	-	254,225	765,116
Instructional staff	80,317	-	-	110,034	190,351
Board of education	91,425	-	-	-	91,425
Administration	741,958	1,600	-	614	744,172
Fiscal	345,236	400	-	-	345,636
Operations and maintenance	910,554	13,501	-	32,507	956,562
Pupil transportation	501,628	2,442	-	20,037	524,107
Central	83,247	-	-	-	83,247
Operation of non-instructional services:					
Food service operations	-	-	-	468,241	468,241
Other non-instructional services	44,641	2,035	-	9,127	55,803
Extracurricular activities	218,532	-	-	112,809	331,341
Facilities acquisition and construction	-	1,220,936	-	60,932	1,281,868
Debt service:					
Principal retirement	24,517	-	1,500,000	-	1,524,517
Interest and fiscal charges	1,463	-	35,815	-	37,278
Total expenditures	8,834,423	2,282,720	1,535,815	1,845,032	14,497,990
Excess of revenues over (under) expenditures	2,081,374	(80,554)	(1,330,223)	(163,766)	506,831
Net change in fund balances	2,081,374	(80,554)	(1,330,223)	(163,766)	506,831
Fund balances at beginning of year	6,827,618	-	1,351,885	1,866,316	10,045,819
Fund balances (deficit) at end of year	$ 8,908,992	$ (80,554)	$ 21,662	$ 1,702,550	$ 10,552,650

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds		$ 506,831
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Capital asset additions	$ 1,298,577	
Current year depreciation/amortization	(1,006,845)	
Total		291,732
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		(14,498)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	26,561	
Accrued interest	(871)	
Intergovernmental	(66,931)	
Total		(41,241)
Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		1,524,517
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable		4,681
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	791,097	
OPEB	21,733	
Total		812,830
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	504,471	
OPEB	146,809	
Total		651,280
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(58,795)
Change in net position of governmental activities		$ 3,677,337

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Property taxes	$ 1,662,970	$ 1,731,720	$ 1,731,676	$ (44)
Intergovernmental	6,602,011	8,920,671	8,920,699	28
Investment earnings	29,389	19,631	23,358	3,727
Tuition and fees	571,413	137,206	137,203	(3)
Rental income	1,954	1,750	1,750	-
Contributions and donations	5,000	-	-	-
Miscellaneous	119,622	14,384	14,474	90
Total revenues	8,992,359	10,825,362	10,829,160	3,798
Expenditures:				
Current:				
Instruction:				
Regular	4,903,453	3,694,487	3,607,059	87,428
Special	1,714,745	1,561,361	1,518,894	42,467
Vocational	523,372	427,625	424,884	2,741
Other	10,812	1,210	985	225
Support services:				
Pupil	345,277	337,246	320,117	17,129
Instructional staff	113,277	91,640	80,246	11,394
Board of education	119,144	130,145	109,555	20,590
Administration	840,415	763,606	749,239	14,367
Fiscal	475,335	439,880	399,092	40,788
Operations and maintenance	1,066,637	1,071,343	952,734	118,609
Pupil transportation	822,769	644,457	622,029	22,428
Central	152,329	173,626	102,315	71,311
Operation of non-instructional services				
Other non-instructional services	166,372	55,485	47,075	8,410
Extracurricular activities	223,933	222,665	196,930	25,735
Total expenditures	11,477,870	9,614,776	9,131,154	483,622
Excess (deficiency) of revenues over (under) expenditures	(2,485,511)	1,210,586	1,698,006	487,420
Other financing sources (uses):				
Refund of prior year's expenditures	25,000	16,578	16,578	-
Transfers in	50,000	50,000	50,000	-
Transfers (out)	(200,000)	(50,000)	(50,000)	-
Advances (out)	(50,000)	-	-	-
Sale of notes	-	271	271	-
Sale of capital assets	-	8,500	8,500	-
Total other financing sources (uses)	(175,000)	25,349	25,349	-
Net change in fund balance	(2,660,511)	1,235,935	1,723,355	487,420
Fund balance at beginning of year	7,211,488	7,211,488	7,211,488	-
Prior year encumbrances appropriated	175,835	175,835	175,835	-
Fund balance at end of year	$ 4,726,812	$ 8,623,258	$ 9,110,678	$ 487,420

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ELEMENTARY AND SECONDARY SCHOOL RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Intergovernmental	3,365,200	3,387,432	2,281,484	(1,105,948)
Total revenue	3,365,200	3,387,432	2,281,484	(1,105,948)
Expenditures:				
Current:				
Instruction:				
Regular	1,123,018	1,128,042	597,653	530,389
Special	1,772	2,766	2,400	366
Other	307,774	405,215	189,301	215,914
Support services:				
Pupil	259,236	333,324	199,807	133,517
Administration	1,920	2,516	1,600	916
Fiscal	351	750	400	350
Operations and maintenance	8,773	20,881	18,656	2,225
Pupil transportation	3,607	4,503	2,406	2,097
Operation of non-instructional services				
Other non-instructional services	3,007	3,752	2,000	1,752
Facilities acquisition and construction	872,754	1,471,299	1,471,300	(1)
Total expenditures	2,582,212	3,373,048	2,485,523	887,525
Excess (deficiency) of revenues over (under) expenditures	782,988	14,384	(204,039)	(218,423)
Net change in fund balance	782,988	14,384	(204,039)	(218,423)
Fund balance at beginning of year	(117,541)	(117,541)	(117,541)	-
Prior year encumbrances appropriated	103,157	103,157	103,157	-
Fund balance at end of year	$ 768,604	$ -	$ (218,423)	$ (218,423)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	Custodial
Assets:	
Equity in pooled cash and cash equivalents	$ 7,220
Net position:	
Restricted for:	
Restricted for individuals	$ 7,220

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Custodial
Additions:	
Contributions and donations	$ 4,000
Change in net position	4,000
Net position at beginning of year	$ 3,220
Net position at end of year	$ 7,220

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE DISTRICT

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

The Manchester Local School District was established in 2004 through the deconsolidation of existing land areas in the Adams County/Ohio Valley School District. The District serves an area of approximately 115 square miles. It is located in Adams County, and includes the Villages of Manchester and Rome, all of Manchester and Sprigg Townships and portions of Green and Monroe Townships. The District is staffed by 33 non-certified employees, 57 certified teaching personnel and five administrative employees who provide services to 778 students and other community members. The District currently operates two instructional buildings, a bus garage, an athletic facility building and athletic fields.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has one component unit.

The District has one discretely presented component unit and is associated with one jointly governed organization and two insurance purchasing pools. These organizations are discussed below due to their relationship to the District.

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

DISCRETELY PRESENTED COMPONENT UNIT

The Karen K. Ballengee Educational Foundation formerly the Manchester Educational Foundation ("Foundation") was created by resolution of the Board of Education and organized as a non-profit corporation under Internal Revenue Code Section 501(c)(3). The purpose of the organization is to advance educational and charitable purposes by raising funds for the benefit of the students and residents of the Manchester Local School District.

The component unit column in the combined financial statements identifies the financial data of the District's component unit, the Manchester Educational Foundation. It is discretely reported in a separate column to emphasize that it is legally separate from the District.

See Note 19 for further information on the discretely presented component unit.

JOINTLY GOVERNED ORGANIZATION

Metropolitan Educational Technology Association (META)
The District is a participant in the Metropolitan Educational Technology Association (META) which is a computer consortium. META is an educational solutions partner providing services across Ohio. META provides cost-effective fiscal, network, technology, and student services, a purchasing cooperative, and other individual services based on each client's needs.

The governing board of META consists of a president, vice president and six board members who represent the members of META. The Board works with META's Chief Executive Officer, and Chief Financial Officer to manage operations and ensure the continued progress of the organization's mission, vision, and values. The Board exercises total control over the operations of the Association including budgeting, appropriating, contracting and designating management. Each school district's degree of control is limited to its representation on the Board. The District paid META $91,982 for services provided during the fiscal year. Financial information can be obtained from the SCOCA Regional Council of Governments through META solutions, Ashley Widby, interim CFO, 100 Executive Drive, Marion Ohio 43302.

INSURANCE PURCHASING POOLS

Schools of Ohio Risk Sharing Authority, Inc.
The District participates in the Schools of Ohio Risk Sharing Authority, Inc. (SORSA), a risk sharing pool serving school districts in Ohio. SORSA was formed as an Ohio non-profit corporation for the purpose of administering a joint self-insurance pool and assisting members to prevent and reduce losses and injuries to District property and persons and property which might result in claims being made against members of SORSA. Member school districts agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by SORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance and educators' errors and omissions liability insurance.

Each member school district has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine directors. Only superintendents, treasurers, or business managers of member school districts are eligible to serve on the board. No school district may have more than one representative on the board at any time. Each member school district's control over the budgetary and financing of SORSA is limited to its voting authority and any representative it may have on the board of directors. Financial information can be obtained from SORSA at 8050 North High Street, Suite 160, Columbus, Ohio 43235.

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

<u>Ohio SchoolComp Workers'Compensation Group Rating Plan</u>
The Ohio Schools' Council Workers' Compensation Group Rating Program (the "Plan") is an insurance purchasing pool. The Ohio school Board Association (OSBA) and the Ohio Association of School Business Officials (OASBO) co-sponsor the Group Rating Plan. The Executive Directors of the OSBA and the OASBO, or their designees, serve as coordinators of the program. The plan is intended to reduce premiums for the participants. The Workers' Compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the Plan.

PUBLIC ENTITY RISK POOL

<u>Portage Area School Consortium</u>
The Portage Area School Consortium (the "Consortium") is a regional council of governments established pursuant to Chapter 167 of the Ohio Revised Code, consisting of various school districts in the Portage County, Ohio area. The Consortium is a stand-alone entity, comprised of two stand-alone pools; the Portage Area School Consortium Property and Casualty Pool and the Portage Area School Consortium Health and Welfare Insurance Pool. These pools were established by the Consortium on August 5, 1988 to provide property and casualty risk management services and risk sharing to its members. The pools were established as local government risk pools under Section 1744.081 of the Ohio Revised Code and are not subject to federal tax filing requirements.

Ohio Revised Code Section 167.04 requires the Consortium to adopt bylaws designating the officers of the Consortium and their method of selection, creating a governing body to act for the Consortium, appointing a fiscal officer, and providing for the conduct of the Consortium's business. The Assembly is the legislative and managerial body of the Consortium. The Assembly is composed of representation of the member schools. The member school's governing body appoints representatives to the Consortium (usually the superintendent or designee). In the case of a member that is a school district, that representative shall be an executive appointed by the board of education. The Assembly serves without compensation.

B. Basis of Presentation

The 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.

<u>Government-Wide Financial Statements</u> - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the District, except for fiduciary funds. The government-wide financial statements usually distinguish between those activities of the District that are governmental and those that are considered business-type; however, the District has no business-type activities.

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

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

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

C. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types. The District has no proprietary funds.

GOVERNMENTAL FUNDS

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

The following are the District's major governmental fund:

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

Elementary and Secondary School Emergency (ESSER) fund- This fund is used to account for financial resources received and expenditures for the ESSER program.

Bond Retirement fund - The bond retirement fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources when the government is obligated in some manner for payment.

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

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for scholarships not governed by a trust and the District does not have administrative involvement in selecting the recipient.

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

D. Measurement Focus

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

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

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

E. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined and “available” means that the resources are collectible within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means expected to be received within 60 days of fiscal year-end. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants and 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 5).

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange 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 for advance, grants, tuition and fees, customer services, and interest.

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

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2022, but which were levied to finance fiscal year 2023 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, delinquent property taxes, interest, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the District, see Notes 11 and 12 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

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.

F. Budgetary Process

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

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

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

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

G. Cash and Investments

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

During fiscal year 2022, investments were limited to negotiable certificates of deposit (negotiable CDs), U.S. government money market mutual funds, Federal Home Loan Banks (FHLB), and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for STAR Ohio, investments are reported at fair value.

During fiscal year 2022, the District invested in STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For the fiscal year 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $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, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2022 amounted to $21,755, which includes $2,745 assigned to other 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 District are presented on the financial statements as cash and cash equivalents.

H. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method on the government-wide statements and the fund financial statements.

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

Inventories consist of purchased and donated food held for resale and consumable supplies.

I. Capital Assets

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of $1,000 for its general capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except land, 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	10 - 30 years
Buildings and improvements	20 - 50 years
Furniture and equipment	5 - 20 years
Intangible leased assets	5 years
Buses and other vehicles	5 - 10 years

The District is reporting intangible right to use assets related to leased equipment. The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease term or the useful life of the underlying asset.

J. Interfund Balances

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

K. 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 District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and other long-term obligations are recognized as a liability in the fund financial statements when due. 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.

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

M. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable. For the District, nonspendable fund balance at year-end consisted of materials and supplies inventory and prepayments.

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes. The Treasurer assigned fund balance to cover a gap between estimated revenue and appropriations in the 2022 appropriated budget.

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

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

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

N. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

O. Estimates

The preparation of the basic financial statements in conformity with GAAP 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.

P. Prepaid Items

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

Q. Interfund Activity

Transfers within governmental activities are eliminated on the government-wide financial statements. 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 requirement for repayment are reported as interfund transfers and are eliminated from the statement of activities. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Pensions/Other Postemployment Benefits (OPEB)

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

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

S. Bond Premiums

For governmental activities, bond premiums are deferred and amortized over the term of the bonds/capital lease using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds payable. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

On the governmental fund financial statements, bond premiums are recognized in the period when the debt is issued.

T. Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2022, the District has implemented GASB Statement No. 87, "*Leases*", GASB Implementation Guide 2019-3, "*Leases*", GASB Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*", GASB Implementation Guide 2020-1, "*Implementation Guide Update - 2020*", GASB Statement No. 92, "*Omnibus 2020*", GASB Statement No. 93, "*Replacement of Interbank Offered Rates*", GASB Statement No. 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*" and certain paragraphs of GASB Statement No. 99, "*Omnibus 2022*".

GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The District recognized $49,861 in governmental activities in leases payable at July 1, 2021; however, this entire amount was offset by the intangible asset, right to use lease - equipment.

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. GASB Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. GASB Statement No. 89 also reiterates that financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the District.

GASB Implementation Guide 2020-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2020-1 did not have an effect on the financial statements of the District.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

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

GASB Statement No. 93 establishes accounting and financial reporting requirements related to the replacement of Interbank Offered Rates (IBORs) in hedging derivative instruments and leases. It also identifies appropriate benchmark interest rates for hedging derivative instruments. The implementation of GASB Statement No. 93 did not have an effect on the financial statements of the District.

GASB Statement No. 97 is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of the District.

GASB Statement No. 99 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

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

Major Fund	Deficit
ESSER	$ 80,554
Nonmajor funds	
21st Century	897
IDEA Part B	8,175
Title I	19,043
Title II-A	3,316

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

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

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

4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

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

7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,

8. Certain bankers' acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At year end, the District had no undeposited cash on hand.

B. Cash in Segregated Accounts

At June 30, 2022, the District has $5,042 in a separate depository account for a retainage payable clearing account held separate from the District's internal investment pool. This balance of this depository account is included in "deposits with financial institutions" below.

C. Deposits with Financial Institutions

At June 30, 2022, the carrying amount of all District deposits was $5,177,223 and the bank balance of all District deposits was $5,445,164. Of the bank balance, $505,042 was covered by the FDIC and $4,940,122 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District's and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2022, the District's financial institution was approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

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

		Investment Maturities		
Measurement/ Investment type	Measurement Value	6 months or less	19 to 24 months	Greater Than 24 months
Fair Value:				
Negotiable CD's	$ 1,658,322	$ 248,602	$ 269,133	$ 1,140,587
FHLB	235,293	-	-	235,293
U.S. Government Money Market Mutual Fund	94,807	94,807	-	-
Net Asset Value:				
STAR Ohio	4,106,774	4,106,774	-	-
Total	$ 6,095,196	$ 4,450,183	$ 269,133	$ 1,375,880

The weighted average maturity of investments is 0.65 years.

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

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

Credit Risk: Standard & Poor’s has assigned STAR Ohio and the U.S. government money market mutual fund an AAAm money market rating. STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. The negotiable CD’s were not rated but are fully covered by the FDIC. The District’s investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code. The District’s investments in federal agency securities (FHLB) are rated AA+ and Aaa by Standard and Poor’s and Moody’s Investor Services respectively.

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The District's investment policy provides that the District will diversify its investments by security, type, and institution. With the exception of direct obligations of the U.S. Treasury and STAR Ohio, no more than 90 percent of the District's total investment portfolio will be invested in a single security type or with a single financial institution. The following table includes the percentage of each investment type held by the District at June 30, 2022:

Measurement/ Investment type	Measurement Value	% of Total
Fair Value:		
Negotiable CD's	$ 1,658,322	27.21%
FHLB	235,293	3.86%
U.S. Government Money Market Mutual Fund	94,807	1.56%
Net Asset Value:		
STAR Ohio	4,106,774	67.37%
Total	$ 6,095,196	100.00%

D. Reconciliation of cash and investments to the statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and cash equivalents as reported on the statement of net position as of June 30, 2022:

Cash and investments per note	
Carrying amount of deposits	$ 5,177,223
Investments	6,095,196
Total	$ 11,272,419

Cash and investments per statement of net position	
Governmental activities	$ 11,265,199
Custodial fund	7,220
Total	$ 11,272,419

NOTE 5 - PROPERTY TAXES

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

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

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

The District receives property taxes from Adams County. The Adams County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2022, are available to finance fiscal year 2022 operations. The amount available as an advance at June 30, 2022 was $330,814 in the general fund. This amount is recorded as revenue. The amount available as an advance at June 30, 2021 was $295,712 in the general fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

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

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

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

	2021 Second Half Collections		2022 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/residential and other real estate	$ 62,405,110	76.74	$ 63,275,810	74.24
Public utility personal	18,912,770	23.26	21,957,430	25.76
Total	$ 81,317,880	100.00	$ 85,233,240	100.00
Tax rate per $1,000 of assessed valuation	$ 26.50		$ 26.50	

NOTE 6 - ELECTRIC DEREGULATION FUNDS

The District receives deregulation funding. Ohio Revised Code Section 5709.92(C)(2) provides that in fiscal year 2018 and the subsequent fiscal years, payment shall be made to school districts and joint vocational school districts based on the difference obtained by subtracting from the fiscal year 2017 reimbursement for Fixed Rate Current Operating levy losses, an amount equal to 1/16 of 1% of the 3-year average total taxable valuation of the District tax years 2014, 2015, and 2016. For each ensuing fiscal year, the exact same amount is to be subtracted from the latest annual calculation of the Fixed Rate Current Operating levy reimbursement to come up with the annual reimbursement for that year. For fiscal year 2022, based upon this calculation, the District will subtract approximately $186,000 from the prior year deregulation funding for each ensuing fiscal year. It is estimated the last year the District will receive deregulation funding will be in fiscal year 2029.

NOTE 7 - RECEIVABLES

Receivables at June 30, 2022 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. All receivables will be received within one year except for delinquent property taxes.

Principal items of receivables reported on the statement of net position follows:

Governmental activities:	
Property taxes	$ 2,782,507
Accounts	1,006
Intergovernmental	557,604
Accrued interest	3,986
Total governmental activities	$ 3,345,103

A breakdown of the intergovernmental receivables follows:

Governmental activities:	
JV01 foundation settlement	$ 76,626
Improving Teacher Quality	16,229
IDEA Part B Grant	82,135
Miscellaneous Grants	33,195
Title I	171,920
Food Service	7,714
21st Century Grant	48,913
IDEA Part B Preschool Stimulus	3,027
Student Support and academic Enrichment Program	156
ESSER	117,689
Total intergovernmental receivables	$ 557,604

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NOTE 8 - CAPITAL ASSETS

Due to the implementation of GASB Statement No. 87 (see Note 3.A for detail), the District has reported capital assets for the right to use leased equipment which are reflected in the schedule below. Governmental capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	Restated Balance 07/01/21	Additions	Disposals	Balance 06/30/22
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	$ 754,455	$ -	$ -	$ 754,455
Construction in progress	-	5,509	-	5,509
Total capital assets, not being depreciated/amortized	754,455	5,509	-	759,964
Capital assets, being depreciated/amortized:				
Land improvements	5,230,126	-	-	5,230,126
Buildings and improvements	34,008,747	1,252,943	-	35,261,690
Furniture and equipment	3,734,129	40,125	(1,782)	3,772,472
Vehicles	1,061,270	-	(297,230)	764,040
Intangible right to use:				
Leased equipment	49,861	-	-	49,861
Total capital assets, being depreciated/amortized	44,084,133	1,293,068	(299,012)	45,078,189
Less: accumulated depreciation/amortization:				
Land improvements	(1,757,728)	(133,830)	-	(1,891,558)
Buildings and improvements	(9,834,578)	(687,589)	-	(10,522,167)
Furniture and equipment	(2,599,245)	(114,506)	588	(2,713,163)
Vehicles	(589,899)	(45,990)	283,926	(351,963)
Intangible right to use:				
Leased equipment	-	(24,930)	-	(24,930)
Total accumulated depreciation/amortization	(14,781,450)	(1,006,845)	284,514	(15,503,781)
Total capital assets, being depreciated/ amortized, net	29,302,683	286,223	(14,498)	29,574,408
Governmental activities capital assets, net	$ 30,057,138	$ 291,732	$ (14,498)	$ 30,334,372

NOTE 8 - CAPITAL ASSETS – (Continued)

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

Instruction:	
Regular	$ 406,544
Special	68,748
Vocational	5,287
Support Services:	
Pupil	46,227
Instructional staff	32,652
Administration	35,675
Fiscal	3,371
Operations and maintenance of plant	95,814
Pupil transportation	53,393
Operation of non-instructional services:	
Food service operations	32,581
Other non-instructional services	15,899
Extracurricular activities	210,654
Total depreciation/amortization expense	$ 1,006,845

NOTE 9 - LONG-TERM OBLIGATIONS

Due to the implementation of GASB Statement No. 87 (see Note 3.A for detail), the District has reported obligations for leases payable which are reflected in the schedule below. The changes in the District's long-term obligations during the year consist of the following:

	Restated Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due in One Year
Governmental activities:					
Series 2012 G.O. Refunding Bonds $7,919,936 - 1.15%-4.00%	$ 1,460,000	$ -	$ (1,460,000)	$ -	$ -
Total Bonds Payable	1,460,000	-	(1,460,000)	-	-
Series 2011 Energy Conservation Notes - $500,000 - 4.25%	210,000	-	(40,000)	170,000	40,000
Net pension liability	11,149,449	-	(5,636,706)	5,512,743	-
Net OPEB liability	786,171	-	(162,016)	624,155	-
Compensated absences payable	625,513	109,308	(50,513)	684,308	52,544
Lease payable	49,861	-	(24,517)	25,344	25,344
Total other long-term obligations	12,610,994	109,308	(5,873,752)	6,846,550	77,888
Total governmental activities	$ 14,280,994	$ 109,308	$ (7,373,752)	$ 7,016,550	$ 117,888

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Series 2011 Energy Conservation Notes - On June 30, 2011, the District issued $500,000 in unvoted energy conservation notes for the purpose of providing energy conservation measures. The notes were issued for 15 years with final maturity at December 1, 2025. The notes will be retired from the debt service fund from inside property tax millage funds. The following is a schedule of future debt service requirements for the notes outstanding:

Series 2011 Energy Conservation Notes

Fiscal Year Ending June 30	Principal	Interest	Total
2023	40,000	6,376	46,376
2024	40,000	4,676	44,676
2025	45,000	2,869	47,869
2026	45,000	956	45,956
Total	$ 170,000	$ 14,877	$ 184,877

Leases Payable - The District has entered into a lease agreement for the use of right to use equipment. Due to the implementation of GASB Statement No. 87, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the lease. The lease payments will be paid from the general fund.

The District has entered into lease agreements for copier equipment as follows:

Company	Lease Commencement Date	Years	Lease End Date	Payment Method
ComDoc	2018	5	2023	Monthly

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2023	$ 25,344	$ 552	$ 25,896
Total	$ 25,344	$ 552	$ 25,896

Net pension liability - More information on the District's net pension liability information can be found in Note 11. The District pays obligations related to employee compensation from the fund benefitting from their service.

Net OPEB liability/asset - More information on the District's net OPEB liability/asset information can be found in Note 12. The District pays obligations related to employee compensation from the fund benefitting from their service.

Compensated absences - will be paid from the fund from which the employee is paid which, for the District, is primarily the general fund.

Legal Debt Margin

The District's overall legal debt margin was $7,692,654 with an unvoted debt margin of $85,233 and an Energy Conservation debt margin of $937,099 at June 30, 2022.

NOTE 10 - RISK MANAGEMENT

A. Comprehensive

The 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.

The District, along with other school districts in Ohio, participates in the Schools of Ohio Risk Sharing Authority, Inc. Plan (SORSA), an insurance purchasing pool. Each individual school district enters into an agreement with SORSA and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The District pays this annual premium to SORSA (See Note 2.A.)

A. Comprehensive

The 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.

The District, along with other school districts in Ohio, participates in the Schools of Ohio Risk Sharing Authority, Inc. Plan (SORSA), an insurance purchasing pool. Each individual school district enters into an agreement with SORSA and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The District pays this annual premium to SORSA (See Note 2.A.)

During 2022, the District contracted with the SORSA for the following insurance coverage:

Type of Coverage	Coverage
Buildings and contents ($0 Deductible)	$ 46,675,039
Crime Coverage ($0 Deductible)	1,000,000
Fleet Insurance Coverages	
Combined single Limit Liability	15,000,000
Auto Medical Payments	10,000/25,000
Uninsured Motorist	1,000,000
Comprehensive and Collison ($0 Deductible)	ACV
Garagekeepers Physical Damage	ACV/500,000
General Liability	
Each Occurrence Limit	15,000,000
General Aggregrate Limit	17,000,000
Errors or Omissions Limit	1,000,000
Fire Damage Limit (any one fire)	500,000
Medical Expense (per person/accident)	10,000/25,000
Medical Expense (each accident)	25,000
Vehicle Liability Limit	15,000,000

Settled claims have not exceeded this commercial coverage in the past three fiscal year. There has been no significant reduction in coverage from the prior fiscal year.

NOTE 10 - RISK MANAGEMENT – (Continued)

B. Workers' Compensation Program

For fiscal year 2022, the District participated in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 2.A). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP. Each year, the District pays an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 11 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

The net pension liability/asset and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

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 obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) 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.

The 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.

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

Plan Description - School Employees Retirement System (SERS)

Plan Description - The District's 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	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% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

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% and with a floor of 0%. In 2021, the Board of Trustees approved a 2.5% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2022.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the District is required to contribute 14.00% 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% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2022, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2022, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The District's contractually required contribution to SERS was $164,605 for fiscal year 2022. Of this amount, $10,664 is reported as intergovernmental payable.

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0% to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five year 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, 2026, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

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

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

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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 2022 employer and employee contribution rate of 14% was equal to the statutory maximum rates. For fiscal year 2022, the full employer contribution was allocated to pension.

The District's contractually required contribution to STRS was $626,492 for fiscal year 2022. Of this amount, $103,844 is reported as 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, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities.

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

	SERS	STRS	Total
Proportion of the net pension liability prior measurement date	0.035849000%	0.036279390%	
Proportion of the net pension liability current measurement date	0.032384900%	0.033770280%	
Change in proportionate share	-0.003464100%	-0.002509110%	
Proportionate share of the net pension liability	$ 1,194,909	$ 4,317,834	$ 5,512,743
Pension expense	$ (135,903)	$ (368,568)	$ (504,471)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 116	$ 133,400	$ 133,516
Changes of assumptions	25,161	1,197,845	1,223,006
Contributions subsequent to the measurement date	164,605	626,492	791,097
Total deferred outflows of resources	$ 189,882	$ 1,957,737	$ 2,147,619

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 30,989	$ 27,065	$ 58,054
Net difference between projected and actual earnings on pension plan investments	615,411	3,721,147	4,336,558
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	141,262	917,927	1,059,189
Total deferred inflows of resources	$ 787,662	$ 4,666,139	$ 5,453,801

$791,097 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	$ (243,096)	$ (978,052)	$ (1,221,148)
2024	(184,074)	(745,013)	(929,087)
2025	(146,321)	(761,176)	(907,497)
2026	(188,894)	(850,653)	(1,039,547)
Total	$ (762,385)	$ (3,334,894)	$ (4,097,279)

Actuarial Assumptions - SERS

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

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

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Wage inflation:	
Current measurement date	2.40%
Prior measurement date	3.00%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.50% to 18.20%
COLA or ad hoc COLA:	
Current measurement date	2.00%
Prior measurement date	2.50%
Investment rate of return:	
Current measurement date	7.00% net of system expenses
Prior measurement date	7.50% net of system expenses
Discount rate:	
Current measurement date	7.00%
Prior measurement date	7.50%
Actuarial cost method	Entry age normal (level percent of payroll)

In 2021, 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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

Discount Rate - The total pension liability was calculated using the discount rate of 7.00%. 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%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00%, 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%), or one percentage point higher (8.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	$ 1,988,035	$ 1,194,909	$ 526,031

Actuarial Assumptions - STRS

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

	June 30, 2021	June 30, 2020
Inflation	2.50%	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.00%, net of investment expenses, including inflation	7.45%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.45%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

For the June 30, 2021, actuarial valuation, post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. 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% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

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

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described previously. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2021.

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	$ 8,085,687	$ 4,317,834	$ 1,134,006

Changes Between Measurement Date and Reporting Date - STRS approved a one-time 3.00% cost-of-living adjustment to eligible benefit recipients effective July 1, 2022. It is unknown what the effect this change will have on the net pension liability.

NOTE 12 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

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

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS 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% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2022, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2022, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the District's surcharge obligation was $21,733.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was $21,733 for fiscal year 2022. Of this amount, $21,733 is reported as intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. 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.

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2022, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability/asset was measured as of June 30, 2021, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

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

	SERS	STRS	Total
Proportion of the net OPEB liability/asset prior measurement date	0.036173600%	0.036279390%	
Proportion of the net OPEB liability/asset current measurement date	0.032979000%	0.033770280%	
Change in proportionate share	-0.003194600%	-0.002509110%	
Proportionate share of the net OPEB liability	$ 624,155	$ -	$ 624,155
Proportionate share of the net OPEB asset	$ -	$ (712,019)	$ (712,019)
OPEB expense	$ (77,671)	$ (69,138)	$ (146,809)

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NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

At June 30, 2022, the 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	$ 6,651	$ 25,351	$ 32,002
Changes of assumptions	97,914	45,482	143,396
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	-	6,856	6,856
Contributions subsequent to the measurement date	21,733	-	21,733
Total deferred outflows of resources	$ 126,298	$ 77,689	$ 203,987

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 310,857	$ 130,459	$ 441,316
Net difference between projected and actual earnings on OPEB plan investments	13,564	197,361	210,925
Changes of assumptions	85,473	424,774	510,247
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	237,762	69,771	307,533
Total deferred inflows of resources	$ 647,656	$ 822,365	$ 1,470,021

$21,733 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2023.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	$ (140,592)	$ (213,899)	$ (354,491)
2024	(140,687)	(208,964)	(349,651)
2025	(112,031)	(209,337)	(321,368)
2026	(80,592)	(84,179)	(164,771)
2027	(47,260)	(28,728)	(75,988)
Thereafter	(21,929)	431	(21,498)
Total	$ (543,091)	$ (744,676)	$ (1,287,767)

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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, 2021 are presented below:

Wage inflation:	
Current measurement date	2.40%
Prior measurement date	3.00%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.50% to 18.20%
Investment rate of return:	
Current measurement date	7.00% net of investment expense, including inflation
Prior measurement date	7.50% net of investment expense, including inflation
Municipal bond index rate:	
Current measurement date	1.92%
Prior measurement date	2.45%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Current measurement date	2.27%
Prior measurement date	2.63%
Medical trend assumption:	
Current measurement date	
Medicare	5.125 to 4.400%
Pre-Medicare	6.750 to 4.400%
Prior measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

In 2021, 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% for males and set forward 2 years and adjusted 81.35% 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% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2015 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 log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, 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 target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

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

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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 (1.27%) and higher (3.27%) than the current discount rate (2.27%). Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate (6.75% decreasing to 4.40%).

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 773,403	$ 624,155	$ 504,924

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 480,548	$ 624,155	$ 815,969

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NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2021, actuarial valuation, compared with June 30, 2020, are presented below:

	June 30, 2021		June 30, 2020	
Inflation	2.50%		2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.00%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.00%		7.45%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	5.00%	4.00%	5.00%	4.00%
Medicare	-16.18%	4.00%	-6.69%	4.00%
Prescription Drug				
Pre-Medicare	6.50%	4.00%	6.50%	4.00%
Medicare	29.98%	4.00%	11.87%	4.00%

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

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

Actuarial assumptions used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

Benefit Term Changes Since the Prior Measurement Date - The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

Discount Rate - The discount rate used to measure the total OPEB asset was 7.00% as of June 30, 2021. 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 these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2021.

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, 2021, calculated using the current period discount rate assumption of 7.00%, 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%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	$ 600,834	$ 712,019	$ 804,897

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	$ 801,134	$ 712,019	$ 601,820

NOTE 13 - EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Eligible classified employees earn 10 to 25 days of vacation per fiscal year, depending upon length of service. Twelve-month administrators earn 20 to 25 days of vacation per fiscal year. Up to two years of accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 200 days for teachers, 260 days for classified employees and the number of days specified in each administrator's contract. Teachers may accumulate for retirement severance purposes an unlimited number of days. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave. The District offers a super-severance provision for teachers and administrators who retire in their first of eligibility. Under this policy, payment is made for one-half of the accumulated sick leave credit up to a maximum of 100 days.

B. Health Care Benefits

The District provides life insurance and accidental death and dismemberment insurance to all employees through Mutual of Omaha at the expense of the Board of Education. The District has elected to provide employee medical, surgical, dental, and vision benefits. Medical and surgical benefits are through Portage Area School Consortium. Vision insurance is through Anthem Blue Shield. Dental insurance was changed to MetLife as of October of 2019. The monthly employee cost of health, dental and vision premiums to administrative, certificated and classified employees is $83.95, $83.95 and $64.33, for single coverage, respectively, and $227.28, $227.28 and $173.67, respectively, for family coverage.

C. Perfect Attendance Incentive

Teachers are paid an extra five days at their daily rate for perfect attendance. Teachers with unused personal days at the end of the fiscal year are paid at the rate of $125 per day. Eleven and 12 month classified employees with perfect attendance receive $425 and nine and 10 month classified employees receive $350.

D. Deferred Compensation

Employees may elect to participate in the Ohio Public Employees Deferred Compensation Plan, Voya Plan, and the Ohio Association of School Board Officials (OASBO) deferred Compensation Plan. The plans were created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

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

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING – (Continued)

(a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

(b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);

(d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,

(e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	General fund	ESSER fund
Budget basis	$ 1,723,355	$ (204,039)
Net adjustment for revenue accruals	59,376	(79,318)
Net adjustment for expenditure accruals	47,168	99,646
Net adjustment for other sources/uses	(25,349)	-
Funds budgeted elsewhere **	(2,699)	-
Adjustment for encumbrances	279,523	103,157
GAAP basis	$ 2,081,374	$ (80,554)

** The public school support fund is a legally budgeted as a separate special revenue fund but considered part of the general fund on a GAAP basis.

NOTE 15 - CONTINGENCIES

A. Grants

The District received financial assistance from Federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2022.

NOTE 15 – CONTINGENCIES - (Continued)

B. Foundation Funding

Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2022 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

C. Litigation

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

NOTE 16 - SET-ASIDES

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

	Capital Improvements
Set-aside balance June 30, 2021	$ -
Current year set-aside requirement	124,302
Current year qualifying expenditures	(222,670)
Total	$ (98,368)
Balance carried forward to fiscal year 2023	$ -
Set-aside balance June 30, 2022	$ -

NOTE 17 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances (less amounts encumbered in payables) in the governmental funds were as follows:

Fund	Year-End Encumbrances
General fund	$ 258,354
ESSER	207,961
Nonmajor governmental	246,323
Total	$ 712,638

NOTE 18 - COVID-19

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

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

NOTE 19 - DISCRETELY PRESENTED COMPONENT UNIT

Organization
The Karen K. Ballengee Educational Foundation ("Foundation") was created by resolution of the Board of Education and organized as a non-profit corporation under Internal Revenue Code Section 501 (c)(3). The purpose of the organization is to advance educational and charitable purposes by raising funds for the benefit
of the students and residents of the Manchester Local School District. The Foundation is a component unit of the Manchester Local School District.

Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation
The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with GAAP. The accompanying financial statements of the Foundation present information regarding its net position and in the following category:

Unrestricted
Net position is under the discretionary control of the Board of Directors (the "Board"), are free from any and all donor restrictions, and include amounts designated by the Board for specified purposes.

Use of Estimates
The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents
Cash and cash equivalents consist of all cash on hand and cash in banks. The Foundation maintains a checking account at 1st State Bank. At June 30, 2022, the carrying amount of the Foundation checking account was $13,544 and the bank balance of the Foundation checking account was $13,977. The entire bank balance was covered by the FDIC.

REQUIRED SUPPLEMENTARY INFORMATION

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE FISCAL YEARS

	2022	**2021**	**2020**	**2019**
District's proportion of the net pension liability	0.03238490%	0.03584900%	0.03643630%	0.03735680%
District's proportionate share of the net pension liability	$ 1,194,909	$ 2,371,128	$ 2,180,048	$ 2,139,493
District's covered payroll	$ 1,090,579	$ 1,276,343	$ 1,245,578	$ 1,239,074
District's proportionate share of the net pension liability as a percentage of its covered payroll	109.57%	185.78%	175.02%	172.67%
Plan fiduciary net position as a percentage of the total pension liability	82.86%	68.55%	70.85%	71.36%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018		2017		2016		2015		2014	
	0.04717800%		0.04667520%		0.04517920%		0.41127000%		0.04112700%
$	2,818,412	$	3,416,195	$	2,577,970	$	2,081,414	$	2,445,691
$	1,501,114	$	1,472,407	$	1,367,129	$	1,205,962	$	1,064,282
	187.75%		232.01%		188.57%		172.59%		229.80%
	69.50%		62.98%		69.16%		71.70%		65.52%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST NINE FISCAL YEARS

	2022	**2021**	**2020**	**2019**
District's proportion of the net pension liability	0.03377028%	0.03627939%	0.03836199%	0.03907471%
District's proportionate share net pension liability	$ 4,317,834	$ 8,778,321	$ 8,483,524	$ 8,591,651
District's covered payroll	$ 4,223,857	$ 4,327,671	$ 4,630,871	$ 4,406,093
District's proportionate share of net pension liability as a percentage of its covered payroll	102.22%	202.84%	183.19%	194.99%
Plan fiduciary net position as a percentage of the total pension liability	87.78%	75.48%	77.40%	77.31%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017	2016	2015	2014
0.04263002%	0.04218134%	0.04185753%	0.04075001%	0.04075001%
$ 10,126,853	$ 14,119,365	$ 11,568,198	$ 9,911,813	$ 11,806,886
$ 4,698,043	$ 4,501,236	$ 4,267,121	$ 4,263,271	$ 4,191,569
215.55%	313.68%	271.10%	232.49%	281.68%
75.30%	66.80%	72.10%	74.70%	69.30%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2022	2021	2020	2019
Contractually required contribution	$ 164,605	$ 152,681	$ 178,688	$ 168,153
Contributions in relation to the contractually required contribution	(164,605)	(152,681)	(178,688)	(168,153)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,175,750	$ 1,090,579	$ 1,276,343	$ 1,245,578
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018		2017		2016		2015		2014		2013	
$	167,275	$	210,156	$	206,137	$	180,188	$	167,146	$	147,297
	(167,275)		(210,156)		(206,137)		(180,188)		(167,146)		(147,297)
$	-	$	-	$	-	$	-	$	-	$	-
$	1,239,074	$	1,501,114	$	1,472,407	$	1,367,129	$	1,205,962	$	1,064,282
	13.50%		14.00%		14.00%		13.18%		13.86%		13.84%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2022	2021	2020	2019
Contractually required contribution	$ 626,492	$ 591,340	$ 605,874	$ 648,322
Contributions in relation to the contractually required contribution	(626,492)	(591,340)	(605,874)	(648,322)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,474,943	$ 4,223,857	$ 4,327,671	$ 4,630,871
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017	2016	2015	2014	2013
$ 616,853	$ 657,726	$ 630,173	$ 597,397	$ 554,225	$ 544,904
(616,853)	(657,726)	(630,173)	(597,397)	(554,225)	(544,904)
$ -	$ -	$ -	$ -	$ -	$ -
$ 4,406,093	$ 4,698,043	$ 4,501,236	$ 4,267,121	$ 4,263,271	$ 4,191,569
14.00%	14.00%	14.00%	14.00%	13.00%	13.00%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX FISCAL YEARS

	2022	2021	2020	2019
District's proportion of the net OPEB liability	0.03297900%	0.03617360%	0.03745080%	0.03785700%
District's proportionate share net OPEB liability	$ 624,155	$ 786,171	$ 941,809	$ 1,050,255
District's covered payroll	$ 1,090,579	$ 1,276,343	$ 1,245,578	$ 1,239,074
District's proportionate share of net OPEB liability as a percentage of its covered payroll	57.23%	61.60%	75.61%	84.76%
Plan fiduciary net position as a percentage of the total OPEB liability	24.08%	18.17%	15.57%	13.57%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017
0.47753900%	0.04714040%
$ 1,281,590	$ 1,343,676
$ 1,504,114	$ 1,472,407
85.38%	91.26%
12.46%	11.49%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX FISCAL YEARS

	2022	**2021**	**2020**	**2019**
District's proportion of the net OPEB liability/asset	0.03377028%	0.03627939%	0.03836199%	0.03907471%
District's proportionate share net OPEB liability/(asset)	$ (712,019)	$ (637,610)	$ (635,366)	$ (627,891)
District's covered payroll	$ 4,223,857	$ 4,327,671	$ 4,630,871	$ 4,406,093
District's proportionate share of net OPEB liability/asset as a percentage of its covered payroll	16.86%	14.73%	13.72%	14.25%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	174.73%	182.10%	174.70%	176.00%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018	2017
0.04263002%	0.04218134%
$ 1,663,266	$ 2,255,869
$ 4,698,043	$ 4,501,236
35.40%	50.12%
47.10%	37.30%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2022	2021	2020	2019
Contractually required contribution	$ 21,733	$ 19,275	$ 18,382	$ 29,606
Contributions in relation to the contractually required contribution	(21,733)	(19,275)	(18,382)	(29,606)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 1,175,750	$ 1,090,579	$ 1,276,343	$ 1,245,578
Contributions as a percentage of covered payroll	1.85%	1.77%	1.44%	2.38%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018		2017		2016		2015		2014		2013	
$	26,463	$	25,497	$	23,168	$	35,306	$	19,656	$	21,094
	(26,463)		(25,497)		(23,168)		(35,306)		(19,656)		(21,094)
$	-	$	-	$	-	$	-	$	-	$	-
$	1,239,074	$	1,501,114	$	1,472,407	$	1,367,129	$	1,205,962	$	1,064,282
	2.14%		1.70%		1.57%		2.58%		1.63%		1.98%

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2022	2021	2020	2019
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 4,474,943	$ 4,223,857	$ 4,327,671	$ 4,630,871
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2018		2017		2016		2015		2014		2013	
$	-	$	-	$	-	$	-	$	42,633	$	41,916
	-		-		-		-		(42,633)		(41,916)
$	-	$	-	$	-	$	-	$	-	$	-
$	4,406,093	$	4,698,043	$	4,501,236	$	4,267,121	$	4,263,271	$	3,766,777
	0.00%		0.00%		0.00%		0.00%		1.00%		1.00%

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.

(Continued)

PENSION (CONTINUED)

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts reported for fiscal years 2014-2022.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.
- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table.

(Continued)

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms :

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.
- For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

Changes in assumptions :

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.

MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal AL Number**	**Pass Through Entity Identifying Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribuition):			
National School Lunch Program - Commodity Distribution	10.555		55,790
Cash Assistance:			
National School Lunch Program	10.555		271,465
COVID- 19 Emergency Operating Costs	10.555		40,169
COVID- 19 Supply Chain Funding	10.555		16,651
Total National School Lunch Program			384,075
National School Breakfast Program	10.553		90,488
Total Child Nutrition Cluster			**474,563**
COVID-19 Pandemic EBT SNAP	10.649		**614**
Total U.S. Department of Agriculture			**475,177**
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education			
Special Education Cluster:			
Special Education - Grants to States (IDEA Part B)	84.027A		34,897
Special Education - Grants to States (IDEA Part B)	84.027A		164,608
COVID-19 ARP Idea Part B	84.027X		8,814
Total Special Education Cluster			**208,319**
21ST Century Grant	84.287A		**229,853**
Title I - Grants to Local Educational Agencies	84.010A		45,294
Title I - Grants to Local Educational Agencies	84.010A		227,017
Title I - Grants to Local Educational Agencies	84.010A		12,212
Total Title I			**284,523**
Title IIA - Improving Teacher Quality	84.367A		6,907
Title IIA - Improving Teacher Quality	84.367A		32,235
Total Title IIA - Improving Teacher Quality			**39,142**
Title IV-A - Student Support and Academic Enrichment	84.424A		**26,507**
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D		34,759
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D		607,586
COVID-19 ARP Elementary and Secondary School Emergency Relief Fund	84.425U		1,609,731
Total Elementary and Secondary School Emergency Relief Fund			**2,252,076**
Total U.S. Department of Education			**3,040,420**
U.S. DEPARTMENT OF FEDERAL COMMUNICATION COMMISSION			
Direct Award			
COVID-19 Emergency Connectivity Fund	32.009		**80,841**
Total U.S. Department of Federal Communication Commission			**80,841**
Total Expenditures of Federal Awards			**$3,596,438**

The accompanying notes are an integral part of this schedule.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A – BASIS OF PRESENTATION
The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Manchester Local School District (the District) under programs of the federal government for the year ended June 30, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the 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 Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE
The 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 entitlement value. The District allocated donated food commodities to the respective program 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 2022 to 2023 programs:

Program Title	AL Number	Amt. Transferred	
Title I Grants to Local Educational Agencies	84.010	$	128,656.30
Special Education - Grants to States	84.027	$	42,558.81
Title II-A Supporting Effective Instruction	84.367	$	9,786.08
Title IV-A Student Support and Academic Enrichment	84.424	$	156.29
ESSER II	84.425	$	316,636.09
ARP ESSER	84.425	$	498,030.32
ARP IDEA	84.027	$	28,851.85
ARP ECSE	84.173X	$	3,026.72
Title V-B Rural and Low Income	84.358	$	12,195.31

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*

Manchester Local School District
Adams County
130 Wayne Frye Drive
Manchester, Ohio 45144

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Manchester Local School District, Adams County, (the District) as of and for the year ended June 30, 2022, 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 20, 2023. We noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District.

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 opinion 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2022-001 and 2022-002 that we consider to be material weaknesses.

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*.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit and described in the accompanying schedule of findings and / or corrective action plan. The District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 20, 2023

OHIO AUDITOR OF STATE
KEITH FABER

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

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

Manchester Local School District
Adams County
130 Wayne Frye Drive
Manchester, Ohio 45144

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Manchester Local School District's, Adams 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 Manchester Local School District's major federal program for the year ended June 30, 2022. Manchester Local School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Manchester Local 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 program for the year ended June 30, 2022.

Basis for Opinion on the 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 program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio
March 20, 2023

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MANCHESTER LOCAL SCHOOL DISTRICT
ADAMS COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	Yes
(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):**	AL# 84.425D and 84.425U Elementary And Secondary School Emergency Relief
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

FINDING NUMBER 2022-001

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions. In addition, GASB Cod. 2400.102 states budgetary comparisons should be presented for the general fund and for each major special revenue fund that has a legally adopted annual budget.

FINDING NUMBER 2022-001
(Continued)

Due to deficiencies in the District's financial statement monitoring and review process, the following conditions were noted related to the District's financial statements:

- The District did not prepare a Budget vs. Actual Statement for the Elementary and Secondary School Emergency Relief Fund, which is a major special revenue fund.

An adjustment, with which management agrees, has been included in the accompanying financial statements to correct this omission. Failure to present the required budgetary financial statements reduces the financial statement users' ability to monitor and fully understand the District's financial activity.

The District should review the draft financial statements each year to ensure all required financial statements are included.

Officials' Response:

See Corrective Action Plan.

FINDING NUMBER 2022-002

Material Weakness

In our audit engagement letter, as required by AU-C Section 210, Terms of Engagement, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

Sound accounting practices require accurately posting estimated receipts and appropriations to the ledgers to provide information for budget versus actual comparison and to allow the Board to make informed decisions regarding budgetary matters.

The Appropriation resolution and subsequent amendments establish the legal spending authority of the District and the appropriation ledger provides the process by which the District controls spending, it is therefore necessary the amounts appropriated by the Board are precisely stated and accurately posted to the appropriation ledger.

The District did not have procedures in place to accurately post authorized budgetary measures to the accounting system. The appropriations approved by Board were not properly posted to the accounting system. Total original appropriations approved by the Board of $2,479,055 were not accurately posted to the accounting system with a variance of $925,985 noted between the two.

Failure to accurately post the appropriations to the ledgers could result in overspending and negative cash balances. In addition, this could lead to inaccurate reporting of the budgetary information in the financial statements.

FINDING NUMBER 2022-002
(Continued)

To effectively control the budgetary cycle and to maintain accountability over receipts and expenditures, the District should post to the ledgers, on a timely basis, appropriations approved by the Board. The District should then monitor budget versus actual reports to help ensure appropriations have been properly posted to the ledgers.

Officials' Response

See Corrective Action Plan

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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MANCHESTER LOCAL SCHOOL DISTRICT

Nick Roberts
Superintendent

"Home of the Greyhounds"

Eva K. Elliott
Treasurer

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

Finding Number:	2022-001
Planned Corrective Action:	The Treasurer will review and verify with the GAAP Report converting firm that all the required files have been submitted. The missing file is being submitted and added to the final Audit Report.
Anticipated Completion Date:	03/2023
Responsible Contact Person:	Eva K. Elliott

Finding Number:	2022-002
Planned Corrective Action:	The Treasurer will verify all fund balances prior to closing a month and compare with Board approved appropriations to make sure appropriations never exceed Board approved appropriations.
Anticipated Completion Date:	03/2023
Responsible Contact Person:	Eva K. Elliott

OHIO AUDITOR OF STATE
KEITH FABER

MANCHESTER LOCAL SCHOOL DISTRICT

ADAMS 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 3/30/2023

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