Certified Public Accountants, A.C.

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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Marietta, OH 45750
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1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
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OHIO AUDITOR OF STATE
KEITH FABER

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(800) 282-0370

Board of Education
Claymont City School District
201 N. 3rd Street
Dennison, Ohio 44621

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Claymont City School District is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

April 11, 2022

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CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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INDEPENDENT AUDITOR'S REPORT

February 28, 2022

Claymont City School District
Tuscarawas County
201 North Third Street
Dennison, Ohio 44621

To the Board of Education:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards.* Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards presents additional analysis 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 and is not a required part of the financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2022, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

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

Financial Highlights

Key financial highlights for 2021 are as follows:

- In total, net position of governmental activities increased $1,144,815, which represents a 18.29% decrease from the net position at June 30, 2020.

- General revenues accounted for $20,639,261 in revenue or 69.46% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for $9,076,581 or 30.54% of total revenues of $29,715,842.

- The District had $28,571,027 in expenses related to governmental activities; only $9,076,581 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of $20,639,261 were not adequate to provide for these programs.

- The District's major governmental funds are the general fund, building fund, and Elementary and Secondary School Emergency Relief (ESSER) fund. The general fund had $22,877,881 in revenues and $21,594,973 in expenditures and other financing uses. During fiscal year 2021, the general fund's fund balance increased $1,282,908, from a beginning fund balance of $3,539,521 to $4,822,429.

- The ESSER fund had revenues of $1,748,001 and $1,747,679 in expenditures and other financing uses. During fiscal year 2021, the ESSER fund's fund balance increased $322, from a beginning fund balance of ($322) to $0.

- The building fund had $4,877 in revenues and $4,686,756 in expenditures and other financing uses. During fiscal year 2021, the building fund's fund balance increased $1,818,121, from a beginning fund balance of $9,675 to $1,827,796.

Using these Basic Financial Statements

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

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all nonmajor governmental funds presented in the aggregate in one column. In the case of the District, the general fund, the Elementary and Secondary School Emergency Relief (ESSER) fund and building fund are by far 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 the District perform financially during fiscal year 2021?" The statement of net position and the statement of activities answer this question.

These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting considers 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 net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has either improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, extracurricular activities, food service operations and other non-instructional services.

The District's statement of net position and statement of activities can be found on pages 15-16 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's governmental funds begins on page 11. 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 only major governmental funds are the general fund, ESSER fund, and the building 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 the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The differences between the government as a whole, as reported in the statement of net position and the statement of activities, and the governmental funds are reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 17-22 of this report.

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 23-63 of this report.

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. The required supplementary information can be found on pages 65-80 of this report.

The District as a Whole

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

Net Position

	Governmental Activities 2021	Governmental Activities 2020
Assets		
Current and other assets	$ 18,941,701	$ 12,666,449
Capital assets, net	20,668,240	15,060,090
Total assets	39,609,941	27,726,539
Deferred Outflows of Resources		
Pension	4,628,578	4,865,971
OPEB	813,823	526,650
Total deferred outflows of resources	5,442,401	5,392,621
Liabilities		
Current liabilities	4,762,196	2,226,681
Long-term liabilities:		
Due within one year	782,229	716,967
Due in more than one year:		
Net pension liability	26,613,447	24,147,760
Net OPEB liability	1,945,310	2,125,460
Other amounts	8,328,025	2,279,043
Total liabilities	42,431,207	31,495,911
Deferred Inflows of Resources		
Property taxes levied for next year	4,346,971	3,897,770
Pensions	444,762	1,444,812
OPEB	2,942,951	2,539,031
Total deferred inflows of resources	7,734,684	7,881,613
Net Position		
Net investment in capital assets	14,022,137	13,516,992
Restricted	1,328,401	1,151,130
Unrestricted (deficit)	(20,464,087)	(20,926,486)
Total net position (deficit)	$ (5,113,549)	$ (6,258,364)

The net pension liability (NPL) is the largest single liability reported by the District at June 30, 2021 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The School District has adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). 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.

Governmental Accounting Standards Board 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 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.

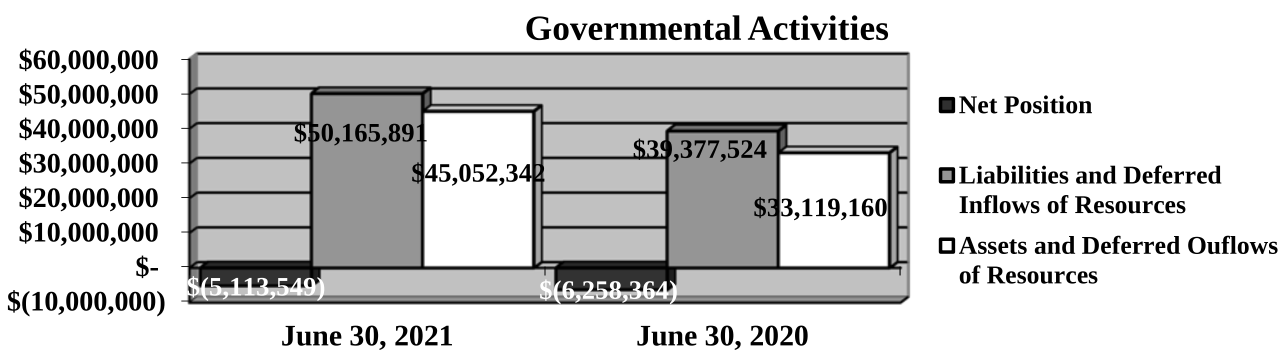
In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted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

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2021, the District's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $5,106,125. Of this total, $15,359,860 is restricted in use.

At year-end, capital assets represented 52.18% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment and vehicles. The District's net investment in capital assets at June 30, 2021 was $0. Capital assets are used to provide services to the students and are not available for future spending. Although the District's net investment in capital assets is reported net of related debt, the resources to repay the debt must be provided from other sources since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, $15,359,860, 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 $20,473,409.

The graph below shows the District's governmental activities assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position as of June 30, 2021 and 2020.



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

Changes in Net Position

	Governmental Activities 2021	Governmental Activities 2020
Revenues		
Program revenues:		
Charges for services and sales	$ 1,211,837	$ 1,267,485
Operating grants and contributions	6,957,226	5,068,186
Capital grants and contributions	907,518	-
General revenues:		
Property taxes	5,003,168	4,682,196
Grants and entitlements	15,257,122	15,121,054
Investment earnings	16,483	100,392
Other	362,488	95,214
Total revenues	29,715,842	26,334,527
Expenses		
Program expenses:		
Instruction:		
Regular	14,155,931	13,843,342
Special	4,381,081	4,570,096
Vocational	82,477	107,361
Other	252,066	264,269
Support services:		
Pupil	1,308,452	1,272,364
Instructional staff	446,394	496,756
Board of education	157,444	144,168
Administration	1,776,784	1,804,817
Fiscal	455,490	447,048
Business	2,976	21,158
Operations and maintenance	2,881,009	2,359,479
Pupil transportation	608,451	830,666
Central	53,149	97,958
Operation of non-instructional services:		
Food service operations	866,190	904,444
Other non-instructional services	103,360	107,281
Extracurricular activities	726,146	805,431
Interest and fiscal charges	313,627	65,184
Total expenses	28,571,027	28,141,822
Change in net position	1,144,815	(1,807,295)
Net position (deficit) at beginning of year	(6,258,364)	(4,451,069)
Net position (deficit) at end of year	$ (5,113,549)	$ (6,258,364)

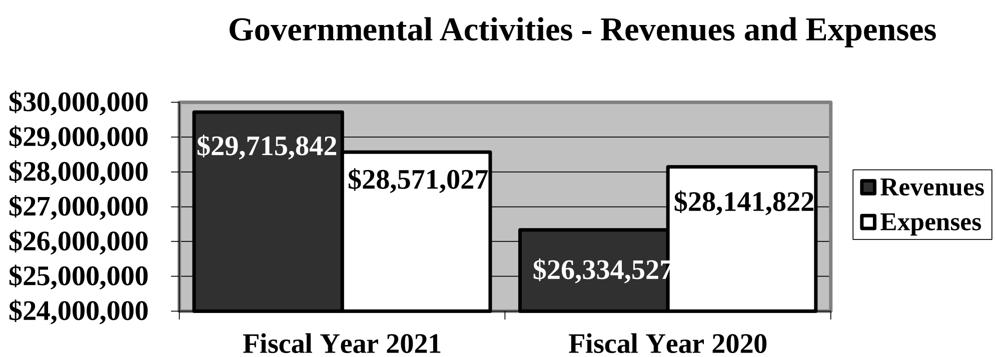
Governmental Activities

Net position of the District's governmental activities increased $1,144,815 from the net position at June 30, 2020. Total governmental expenses of $28,571,027 were offset by program revenues of $9,076,581 and general revenues of $20,639,261. Program revenues supported 31.77% of total governmental activities' expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These revenue sources represent 68.18% of total governmental revenue. Operating grants and contributions increase due to student health and wellness received from the State of Ohio and additional Title I money received from the Federal government. Property taxes increased due to better collections and an increase in assessed values from the previous year.

Expenses increased $429,205 or 1.5% from fiscal year 2020. This increase is the result of an decrease of approximately $162,831 in pension expense and increase of $314,671 in OPEB expense. The primary reason for these increases were the results of experience at the two pension and OPEB systems the District's employees belong to.

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



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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. That is, it identifies the cost of services supported by tax revenue and unrestricted State grants and entitlements. As stated above, fluctuations in the pension and OPEB expense makes it difficult to compare financial information between years. Pension and OPEB expense are components of program expenses reported on the statement of activities.

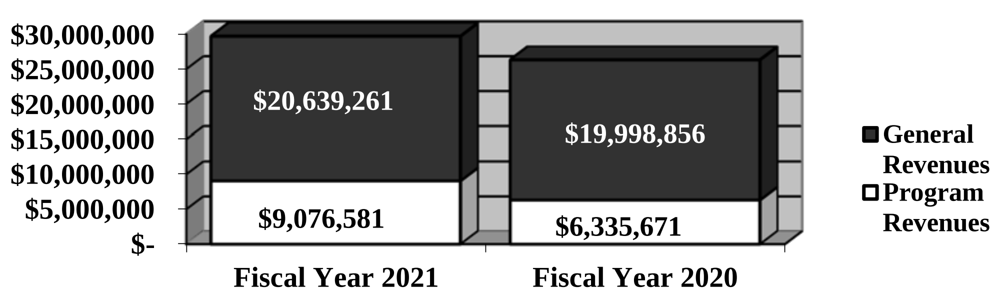
Governmental Activities

Program expenses	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
Instruction:				
Regular	$ 14,155,931	$ 11,148,627	$ 13,843,342	$ 12,409,758
Special	4,381,081	1,521,339	4,570,096	1,591,936
Vocational	82,477	(22,797)	107,361	2,087
Other	252,066	252,066	264,269	264,269
Support services:				
Pupil	1,308,452	350,679	1,272,364	555,048
Instructional staff	446,394	339,581	496,756	437,105
Board of education	157,444	157,444	144,168	144,168
Administration	1,776,784	1,757,763	1,804,817	1,802,180
Fiscal	455,490	453,295	447,048	447,048
Business	2,976	2,976	21,158	21,158
Operations and maintenance	2,881,009	2,785,173	2,359,479	2,323,517
Pupil transportation	608,451	470,448	830,666	780,581
Central	53,149	50,929	97,958	97,746
Operation of non-instructional services:				
Food service operations	866,190	196,627	904,444	295,142
Other non-instructional services	103,360	(50,025)	107,281	(2,714)
Extracurricular activities	726,146	(233,306)	805,431	571,938
Interest and fiscal charges	313,627	313,627	65,184	65,184
Total expenses	$ 28,571,027	$ 19,494,446	$ 28,141,822	$ 21,806,151

The dependence upon tax and other general revenues for governmental activities is apparent, as 68.35% of instruction activities are supported through taxes, grants and entitlements and other general revenues. For all governmental activities, general revenue support is 68.23%. The District's taxpayers and unrestricted grants and entitlements from the state of Ohio, as a whole, are the primary support for the District's students.

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

Governmental Activities - General and Program Revenues



The District's Funds

The District's governmental funds reported a combined fund balance of $7,689,281, which is 74.17% higher than the fund balances at June 30, 2020, which totaled $4,414,698. The schedule below indicates the fund balances as of June 30, 2021 and June 30, 2020.

Fund	Fund Balance June 30, 2021	Fund Balance (Deficit) June 30, 2020	Change
General	$ 4,822,429	$ 3,539,521	$ 1,282,908
Building	$ 1,827,796	$ 9,675	1,818,121
ESSER	-	(322)	322
Nonmajor governmental	1,039,056	865,824	173,232
Total	$ 7,689,281	$ 4,414,698	$ 3,274,583

General Fund

The table that follows assists in illustrating the financial activities and changes in fund balance of the general fund.

	2021 Amount	2020 Amount	Change	Percentage Change
Revenues				
Taxes	$ 4,560,185	$ 4,214,428	$ 345,757	8.20 %
Tuition	1,095,541	988,920	106,621	10.78 %
Earnings on investments	11,853	100,652	(88,799)	(88.22) %
Intergovernmental	16,810,468	16,610,126	200,342	1.21 %
Other revenues	394,834	278,418	116,416	41.81 %
Total	$ 22,872,881	$ 22,192,544	$ 680,337	3.07 %
Expenditures				
Instruction	$ 15,012,129	$ 15,480,463	$ (468,334)	(3.03) %
Support services	5,747,827	6,254,549	(506,722)	(8.10) %
Non-instructional services	1,661	100	1,561	1,561.00 %
Extracurricular activities	523,941	560,901	(36,960)	(6.59) %
Debt service	148,894	149,094	(200)	(0.13) %
Total	$ 21,434,452	$ 22,445,107	$ (1,010,655)	(4.50) %

In total, general fund revenues increased 3.07% over the prior fiscal year. Tax revenues increased primarily due to fluctuations in the amounts collected and available for advance at year-end. These amounts are recorded as revenue in the applicable year. Fluctuations in the tax advance available vary depending upon when tax bills are sent, and collections are made, will affect the tax revenue reported in accordance with GAAP. Tuition decreased due to a decrease in open enrollment students during the year. Intergovernmental revenue decreased due to a decrease in State foundation money. The State of Ohio decreased school foundation funding due to the COVID pandemic.

General fund expenditures decreased by 4.5%. The largest component of this decrease occurred among the District's support service expenditures which decreased due to the COVID pandemic.

General Fund Budgeting Highlights

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

For the general fund in fiscal year 2021, the original budgeted revenues and other financing sources were $21,924,596 which was the same as the final budgeted revenues and financing sources of $21,924,596. Actual revenues and other financing sources of $22,780,292 were $855,696 higher than budgeted revenues and other financing sources. Most of this variance is based on less than anticipated intergovernmental – state revenues during the year.

General fund original appropriations (appropriated expenditures plus other financing uses) of $23,115,229 were the same as the final budgeted expenditures and other financing uses of $23,115,229. The actual budget basis expenditures and other financing uses for fiscal year 2021 totaled $21,891,136 and were $1,224,093 less than final budgeted appropriations as savings were realized in operational and maintenance expenditures.

ESSER Fund

The ESSER fund had revenues of $1,748,001 and $1,747,679 in expenditures and other financing uses. During discal year 2021, the ESSER fund's fund balance increased $322, from a beginning fund deficit of ($322) to $0.

Building Fund

The building fund had $4,877 in revenues and $4,686,756 in expenditures and other financing uses. During fiscal year 2021, the building fund's fund balance increased $1,818,121, from a beginning fund balance of $9,675 to $1,827,796.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2021, the District had $20,668,240 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. This entire amount is reported in the District's governmental activities.

The following table shows June 30, 2021 balances compared to June 30, 2020:

Capital Assets at June 30
(Net of Depreciation)

	Governmental Activities	
	2021	2020
Land	$ 318,293	$ 318,293
Construction in progress	4,890,440	-
Land improvements	180,293	198,214
Building and improvements	14,342,442	13,751,660
Furniture and equipment	470,513	458,294
Vehicles	466,259	333,629
Total	$ 20,668,240	$ 15,060,090

The District had additions of $7,803,461, current year depreciation of $897,267 and disposals, net of accumulated depreciation of $1,298,044.

See Note 9 to the basic financial statements for additional information regarding the District's capital assets.

Debt Administration

At June 30, 2021 the District had $6,910,000 compromised of $6,500,000 in certificates of participation (COPs), $410,000 in general obligation bonds and $598,000 in lease purchase obligations. Of this total, $550,000 is due within one year and $6,758,000 is due in greater than one year.

The following table summarizes the bonds and capital lease obligations outstanding.

Outstanding Debt, at Year End

	Governmental Activities 2021	Governmental Activities 2020
Certificates of participation	$ 6,500,000	$ -
General obligation bonds	410,000	22,817
Lease purchase obligation	598,000	711,000
Total	$ 7,508,000	$ 733,817

At June 30, 2021, the District's overall legal debt margin was $19,146,956 (including available funds of $375,517) and an unvoted debt margin of $213,127.

See Note 10 to the basic financial statements for detail regarding the District's debt administration.

Current Financial Related Activities

Due to the commitment of the Board of Education and administration, the District has carefully managed its general fund budget in order to optimally utilize the dollars available to educate the students it serves while minimizing the need for additional property tax millage. The unencumbered budgetary basis balance of the general fund was $5,686,992 at June 30, 2021 which is $888.656 more than the previous year.

The District will continue its commitment to operate effective and efficient educational facilities with the ongoing support and cooperation of the Claymont Education Association, Ohio Association of Public School Employees, District administration and the Board of Education.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Kim Beckley, Treasurer/CFO, Claymont City School District, 201 N. 3rd Street, Dennison, Ohio 44621-1278.

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CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

STATEMENT OF NET POSITION
JUNE 30, 2021

		Governmental Activities
Assets:		
Equity in pooled cash and cash equivalents	$	9,136,126
Receivables:		
Property taxes		5,370,941
Accounts		3,877
Accrued interest		374
Intergovernmental		1,651,707
Prepayments		99,526
Materials and supplies inventory		713
Inventory held for resale		2,653
Net OPEB asset		1,513,396
Capital assets:		
Nondepreciable capital assets		5,208,733
Depreciable capital assets, net		15,459,507
Capital assets, net		20,668,240
Total assets		38,447,553
Deferred outflows of resources:		
Pension		4,628,578
OPEB		813,823
Total deferred outflows of resources		5,442,401
Liabilities:		
Accounts payable		47,172
Contracts payable		1,213,278
Retainage payable		246,972
Accrued wages and benefits payable		1,666,455
Intergovernmental payable		78,170
Pension and postemployment benefits payable		332,582
Accrued interest payable		15,179
Long-term liabilities:		
Due within one year		782,229
Due in more than one year:		
Net pension liability		26,613,447
Net OPEB liability		1,945,310
Other amounts due in more than one year		8,328,025
Total liabilities		41,268,819
Deferred inflows of resources:		
Property taxes levied for the next fiscal year		4,346,971
Pension		444,762
OPEB		2,942,951
Total deferred inflows of resources		7,734,684
Net position:		
Net investment in capital assets		14,022,137
Restricted for:		
Capital projects		275,264
Classroom facilities maintenance		228,425
Debt service		385,396
State funded programs		54,051
Federally funded programs		184,115
Extracurricular programs		66,883
Other purposes		134,267
Unrestricted (deficit)		(20,464,087)
Total net position (deficit)	$	(5,113,549)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	**Charges for Services and Sales**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Governmental activities:					
Instruction:					
Regular	$ 14,155,931	$ 873,635	$ 2,133,669	$ -	$ (11,148,627)
Special	4,381,081	221,906	2,637,836	-	(1,521,339)
Vocational	82,477	-	105,274	-	22,797
Other	252,066	-	-	-	(252,066)
Support services:					
Pupil	1,308,452	-	957,773	-	(350,679)
Instructional staff	446,394	-	106,813	-	(339,581)
Board of education	157,444	-	-	-	(157,444)
Administration	1,776,784	2,971	16,050	-	(1,757,763)
Fiscal	455,490	-	529	1,666	(453,295)
Business	2,976	-	-	-	(2,976)
Operations and maintenance	2,881,009	1,775	94,061	-	(2,785,173)
Pupil transportation	608,451	-	72,657	65,346	(470,448)
Central	53,149	-	2,220	-	(50,929)
Operation of non-instructional services:					
Food service operations	866,190	11,219	658,344	-	(196,627)
Other non-instructional services	103,360	-	153,385	-	50,025
Extracurricular activities	726,146	100,331	18,615	840,506	233,306
Interest and fiscal charges	313,627	-	-	-	(313,627)
Totals	$ 28,571,027	$ 1,211,837	$ 6,957,226	$ 907,518	(19,494,446)

General revenues:	
Property taxes levied for:	
General purposes	4,453,754
Debt service	202,618
Special revenue	12,673
Capital outlay	334,123
Grants and entitlements not restricted to specific programs	15,257,122
Investment earnings	16,483
Miscellaneous	362,488
Total general revenues	20,639,261
Change in net position	1,144,815
Net position (deficit) at beginning of year	(6,258,364)
Net position (deficit) at end of year	$ (5,113,549)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	ESSER	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash					
and cash equivalents	$ 4,851,194	$ -	$ 2,550,383	$ 1,734,549	$ 9,136,126
Receivables:					
Property taxes	4,769,899	-	-	601,042	5,370,941
Accounts	3,327	-	-	550	3,877
Accrued interest	374	-	-	-	374
Interfund loans	1,162,388	-	-	-	1,162,388
Intergovernmental	12,077	1,038,670	-	600,960	1,651,707
Prepayments	98,845	-	-	681	99,526
Materials and supplies inventory	-	-	-	713	713
Inventory held for resale	-	-	-	2,653	2,653
Total assets	$ 10,898,104	$ 1,038,670	$ 2,550,383	$ 2,941,148	$ 17,428,305
Liabilities:					
Accounts payable	$ 22,158	$ -	$ -	$ 25,014	$ 47,172
Contracts payable	-	29,550	475,615	708,113	1,213,278
Retainage payable	-	-	246,972	-	246,972
Accrued wages and benefits payable	1,481,548	-	-	184,907	1,666,455
Compensated absences payable	50,076	-	-	-	50,076
Intergovernmental payable	75,650	-	-	2,520	78,170
Pension and postemployment benefits payable	292,858	-	-	39,724	332,582
Interfund loans payable	-	1,009,120	-	153,268	1,162,388
Total liabilities	1,922,290	1,038,670	722,587	1,113,546	4,797,093
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	3,866,677	-	-	480,294	4,346,971
Delinquent property tax revenue not available	283,963	-	-	38,038	322,001
Intergovernmental revenue not available	2,272	-	-	270,214	272,486
Accrued interest not available	299	-	-	-	299
Miscellaneous revenue not available	174	-	-	-	174
Total deferred inflows of resources	4,153,385	-	-	788,546	4,941,931
Fund balances:					
Nonspendable:					
Materials and supplies inventory	-	-	-	713	713
Prepaids	98,845	-	-	681	99,526
Unclaimed monies	2,056	-	-	-	2,056
Restricted:					
Debt service	-	-	-	375,517	375,517
Capital projects	-	-	1,827,796	246,803	2,074,599
Classroom facilities maintenance	-	-	-	228,425	228,425
Non-public schools	-	-	-	44,091	44,091
State funded programs	-	-	-	6,535	6,535
Federally funded programs	-	-	-	23,545	23,545
Extracurricular	-	-	-	66,883	66,883
Other purposes	-	-	-	132,211	132,211
Assigned:					
Student instruction	50,303	-	-	-	50,303
Student and staff support	246,684	-	-	-	246,684
Extracurricular activities	6,833	-	-	-	6,833
Subsequent year's appropriations	417,032	-	-	-	417,032
Other purposes	398	-	-	-	398
Unassigned (deficit)	4,000,278	-	-	(86,348)	3,913,930
Total fund balances	4,822,429	-	1,827,796	1,039,056	7,689,281
Total liabilities, deferred inflows and fund balances	$ 10,898,104	$ 1,038,670	$ 2,550,383	$ 2,941,148	$ 17,428,305

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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

Total governmental fund balances		$ 7,689,281
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.		20,668,240
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	$ 322,001	
Accounts receivable	174	
Accrued interest receivable	299	
Intergovernmental receivable	272,486	
Total		594,960
Unamortized premiums on bonds issued are not recognized in the funds.		(213,684)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(15,179)
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	4,628,578	
Deferred inflows - pension	(444,762)	
Net pension liability	(26,613,447)	
Deferred outflows - OPEB	813,823	
Deferred inflows - OPEB	(2,942,951)	
Net OPEB asset	1,513,396	
Net OPEB liability	(1,945,310)	
Total		(24,990,673)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(410,000)	
Certificates of participation	(6,500,000)	
Lease purchase obligations	(598,000)	
Compensated absences	(1,338,494)	
Total		(8,846,494)
Net position (deficit) of governmental activities		$ (5,113,549)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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

	General	ESSER	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 4,560,185	$ -	$ -	$ 551,597	$ 5,111,782
Intergovernmental	16,810,468	1,748,001	-	3,633,842	22,192,311
Investment earnings	11,853	-	4,877	123	16,853
Tuition and fees	1,095,541	-	-	-	1,095,541
Extracurricular	15,989	-	-	84,342	100,331
Rental income	1,750	-	-	-	1,750
Charges for services	2,971	-	-	11,244	14,215
Contributions and donations	11,389	-	-	881,285	892,674
Miscellaneous	362,735	-	-	3,457	366,192
Total revenues	22,872,881	1,748,001	4,877	5,165,890	29,791,649
Expenditures:					
Current:					
Instruction:					
Regular	11,701,211	508,925	-	618,721	12,828,857
Special	2,977,246	27,539	-	1,068,846	4,073,631
Vocational	81,717	-	-	-	81,717
Other	251,955	-	-	-	251,955
Support services:					
Pupil	304,941	1,864	-	954,539	1,261,344
Instructional staff	369,127	3,931	-	58,805	431,863
Board of education	156,715	-	-	-	156,715
Administration	1,610,224	5,302	-	99	1,615,625
Fiscal	416,700	1,695	-	9,966	428,361
Business	4,427	-	-	-	4,427
Operations and maintenance	2,200,077	13,834	2,682	175,415	2,392,008
Pupil transportation	645,537	8,276	-	65,346	719,159
Central	40,079	738	-	-	40,817
Operation of non-instructional services:					
Food service operations	-	-	-	815,601	815,601
Other non-instructional services	1,661	9,065	-	87,183	97,909
Extracurricular activities	523,941	-	-	116,300	640,241
Facilities acquisition and construction	-	1,166,510	4,684,074	708,113	6,558,697
Debt service:					
Principal retirement	135,817	-	-	390,000	525,817
Interest and fiscal charges	13,077	-	-	144,549	157,626
Bond issuance costs	-	-	-	156,763	156,763
Total expenditures	21,434,452	1,747,679	4,686,756	5,370,246	33,239,133
Excess (deficiency) of revenues over (under) expenditures	1,438,429	322	(4,681,879)	(204,356)	(3,447,484)
Other financing sources (uses):					
Premium on COPs	-	-	-	217,140	217,140
Sale/loss of assets	5,000	-	-	-	5,000
Issuance of COPs	-	-	6,500,000	-	6,500,000
Transfers in	-	-	-	160,521	160,521
Transfers (out)	(160,521)	-	-	-	(160,521)
Total other financing sources (uses)	(155,521)	-	6,500,000	377,661	6,722,140
Net change in fund balances	1,282,908	322	1,818,121	173,305	3,274,656
Fund balances (deficit) at beginning of year	3,539,521	(322)	9,675	865,824	4,414,698
Change in reserve for inventory	-	-	-	(73)	(73)
Fund balances at end of year	$ 4,822,429	$ -	$ 1,827,796	$ 1,039,056	$ 7,689,281

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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

Net change in fund balances - total governmental funds		$ 3,274,656
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	$ 6,506,335	
Current year depreciation	(897,267)	
Total		5,609,068
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		(918)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		(73)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(108,614)	
Earnings on investments	(297)	
Other local revenues	174	
Intergovernmental	32,930	
Total		(75,807)
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		525,817
Issuance of COPs are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		(6,500,000)
Premiums on COPs are amortized over the life of the issuance in the statement of activities.		(217,140)
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:		
Change in accrued interest payable	(11,975)	
Amortization of bond premiums	12,737	
Total		762
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,741,777	
OPEB	56,388	
Total		1,798,165
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	(3,444,807)	
OPEB	79,607	
Total		(3,365,200)
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.		95,485
Change in net position of governmental activities		$ 1,144,815

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Property taxes	$ 4,399,709	$ 4,399,709	$ 4,508,008	$ 108,299
Intergovernmental	16,397,222	16,397,222	16,800,837	403,615
Investment earnings	15,722	15,722	16,109	387
Tuition and fees	1,068,499	1,068,499	1,094,800	26,301
Rental income	1,708	1,708	1,750	42
Charges for services	2,900	2,900	2,971	71
Contributions and donations	2,648	2,648	2,713	65
Miscellaneous	36,188	36,188	37,079	891
Total revenues	21,924,596	21,924,596	22,464,267	539,671
Expenditures:				
Current:				
Instruction:				
Regular	8,092,524	22,964,568	11,801,118	11,163,450
Special	2,756,238	27,642	3,014,999	(2,987,357)
Vocational	-	-	91,195	(91,195)
Other	-	-	251,955	(251,955)
Support services:				
Pupil	830,601	8,330	273,976	(265,646)
Instructional staff	105,096	1,054	367,691	(366,637)
Board of education	2,571,671	25,791	191,201	(165,410)
Administration	387,780	3,889	1,611,993	(1,608,104)
Fiscal	243,596	2,443	415,059	(412,616)
Business	62,420	626	6,729	(6,103)
Operations and maintenance	7,134,990	71,556	2,346,566	(2,275,010)
Pupil transportation	559,185	5,608	651,374	(645,766)
Central	366,641	3,677	41,706	(38,029)
Operation of non-instructional services:				
Other non-instructional services	-	-	1,527	(1,527)
Extracurricular activities	4,487	45	525,153	(525,108)
Debt service:				
Principal	-	-	135,817	(135,817)
Interest and fiscal charges	-	-	13,077	(13,077)
Total expenditures	23,115,229	23,115,229	21,741,136	1,374,093
Excess (deficiency) of revenues over (under) expenditures	(1,190,633)	(1,190,633)	723,131	1,913,764
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	311,025	311,025
Transfers (out)	-	-	(150,000)	(150,000)
Miscellaneous use of funds	(212)	(212)	(500)	(288)
Sale of capital assets	-	-	5,000	5,000
Total other financing sources (uses)	(212)	(212)	165,525	165,737
Net change in fund balance	(1,190,845)	(1,190,845)	888,656	2,079,501
Fund balance at beginning of year	4,566,304	4,566,304	4,566,304	-
Prior year encumbrances appropriated	232,032	232,032	232,032	-
Fund balance at end of year	$ 3,607,491	$ 3,607,491	$ 5,686,992	$ 2,079,501

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Intergovernmental - federal	$ 510,000	$ 1,873,000	$ 709,330	$ (1,163,670)
Total revenue	510,000	1,873,000	709,330	(1,163,670)
Expenditures:				
Current:				
Instruction:				
Regular	510,000	1,873,000	514,123	1,358,877
Special	-	-	27,539	(27,539)
Support services:				
Pupil	-	-	1,864	(1,864)
Instructional staff	-	-	3,931	(3,931)
Administration	-	-	5,302	(5,302)
Fiscal	-	-	1,695	(1,695)
Operations and maintenance	-	-	15,815	(15,815)
Pupil transportation	-	-	8,276	(8,276)
Central	-	-	738	(738)
Operation of non-instructional services				
Other non-instructional services	-	-	9,560	(9,560)
Facilities acquisition and construction	-	-	1,283,576	(1,283,576)
Total expenditures	510,000	1,873,000	1,872,419	581
Net change in fund balance	-	-	(1,163,089)	(1,163,089)
Fund balance at beginning of year	-	-	-	-
Fund balance (deficit) at end of year	$ -	$ -	$ (1,163,089)	$ (1,163,089)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

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

The District is located within the City of Uhrichsville and the Village of Dennison, Ohio. It operates under a locally-elected five-member Board and provides educational services as authorized and mandated by State and federal agencies. The Board controls the District's seven instructional support facilities staffed by 99 classified employees, 153 certified teaching personnel and 15 administrators, who provide services to approximately 1,761 students. The District operates one preschool, one primary school K-1st grade, one elementary school 2nd – 3rd grade, one intermediate school 4th - 5th grade, one middle school 6th - 8th grade, one high school 9th - 12th grade and one garage.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic 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 governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

A. Reporting Entity

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

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

The following entities, which perform activities within the District's boundaries for the benefit of its residents, are excluded from the basic financial statements because the District is not financially accountable for these entities nor are they fiscally dependent on the District.

City of Uhrichsville and the Village of Dennison
The City of Uhrichsville and the Village of Dennison are separate bodies politic and corporate. A mayor and council are elected independent of any District relationships, and administer the provision of traditional municipal services. Council acts as the taxing and budgeting authority for the City and for the Village.

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

The following organizations are described due to their relationship to the District:

JOINTLY GOVERNED ORGANIZATIONS

Buckeye Joint Vocational School District (JVSD)
The JVSD is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The JVSD's Board of Education is comprised of representatives from the Board of each participating school district. The JVSD's Board is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. The District's students may attend the JVSD. Each school district's control is limited to its representation on the JVSD's Board. During fiscal year 2021, no monies were paid to the JVSD by the District.

Ohio Mid-Eastern Regional Educational Services Agency (OME-RESA)
Ohio Mid-Eastern Regional Educational Service Agency (OME-RESA) is a jointly governed organization created as a regional council of governments pursuant to State statutes. OME-RESA provides financial accounting services, an education management information system, cooperative purchase services and legal services to member districts. OME-RESA has eleven participating counties consisting of Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Jefferson, Muskingum, Monroe, Noble, and Tuscarawas counties. OME-RESA operates under the direction of a Board consisting of one representative from each of the participating school districts. The Jefferson County Educational Service Center office serves as the fiscal agent and receives funding from the State Department of Education. The continued existence of OMERESA is not dependent on the District's continued participation and no equity interest exists. OMERESA has no outstanding debt. During fiscal year 2021, the District paid $65,393 to OME-RESA for various services. To obtain financial information, write to the Ohio Mid-Eastern Regional Educational Service Agency, 2230 Sunset Boulevard Suite 2, Steubenville, Ohio 43952.

Tuscarawas County Tax Incentive Review Council (TCTIRC)
TCTIRC is a jointly governed organization, created as a regional council of governments pursuant to State Statutes. TCTIRC has 56 members, consisting of three members appointed by the County Commissioners, 22 members appointed by municipal corporations, 12 members appointed by township trustees, two members from the county auditor's office, 16 members appointed by boards of education located within the county, and one member representing the Economic Development and Finance Alliance. TCTIRC reviews and evaluates the performance of each Enterprise Zone Agreement. This body is advisory in nature and cannot directly impact an existing Enterprise Zone Agreement; however, the council can make written recommendations to the legislative authority which approved the agreement. There is no cost associated with being a member of this council. The continued existence of the TCTIRC is not dependent on the District's continued participation and no equity interest exists. During fiscal year 2021, no monies were paid to the TCTIRC from the District.

PUBLIC ENTITY RISK POOLS

Stark County Schools Council of Governments
The Stark County Schools Council of Governments Health Benefit Plan is a shared risk pool, with participants from Stark, Summit, Portage, Tuscarawas, Medina, and Wayne Counties. The consortium is governed by an assembly, which consists of one representative from each participating District (usually the superintendent or designee). The assembly elects officers for two-year terms to serve on the Board of Directors. The assembly exercises control over the operation of the consortium. All consortium revenues are generated from charges for services. Financial information can be obtained by writing to the Stark County Educational Service Center, 2100 38th Street, Canton, Ohio 44709.

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

RELATED ORGANIZATION

Claymont Public Library
The Claymont Public Library is a related organization to the District. The School Board members are responsible for appointing the trustees of the Public Library; however, the School Board cannot influence the Library's operation nor does the Library represent a potential financial benefit or burden to the District. Although the District does serve as the taxing authority and may issue tax relief related debt on behalf of the Library, its role is limited to a ministerial function. Once the Library determines to present a levy to voters, including the determination of the rate and duration, the District must place the levy on the ballot. The Library may issue debt and determines its own budget. During fiscal year 2021, no monies were paid to the Library by the District. Financial information can be obtained from the Claymont Public Library, 215 E. 3rd Street, Uhrichsville, Ohio 44683.

B. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary. The District does not have any proprietary funds.

GOVERNMENTAL FUNDS

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

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Elementary and Secondary School Emergency Relief (ESSER) fund - The ESSER fund is used to account for money received from the federal government that are restricted for use under the program.

Building fund - The building fund is used to account for the revenues and expenditures related to all special bonds in the District. All proceeds from the sale of bonds, notes or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here are restricted to the costs of acquiring capital facilities including real property.

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

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

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. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District did not have any custodial funds at June 30, 2021.

C. Basis of Presentation and Measurement Focus

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. 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 amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting.

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

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

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6).

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the 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 nonexchange transactions must also be available before it can be recognized.

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

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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Note 14 and Note 15 for deferred outflows of resources related 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, interest and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Accrued interest not available is reported only on the governmental funds balance sheet and represents interest accrued on investments and not remitted to the District. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the District, see Note 14 and Note 15 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. This deferred inflow of resources is 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 entitlement value of donated commodities used during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a corresponding amount reported as intergovernmental revenue in the governmental funds.

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than custodial funds, are legally required to be budgeted and appropriated. The primary level of budgetary control has been established by the Board of Education at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

TAX BUDGET

On July 25, 2002, the Tuscarawas County Budget Commission voted to waive the requirement that school districts adopt a tax budget as required by Section 5705.28 of the Ohio Revised Code, by January 15 and the filing by January 20. In order to complete other necessary documents, the Budget Commission now requires certain information to be filed by March 14. Information required includes the general fund five year forecast submitted to the Department of Education, projected revenues and expenditures line items for all levy funds, projected revenues and debt requirements (principal and interest) and amortization schedules for the debt service fund, and balances and total anticipated activity for all other funds.

ESTIMATED RESOURCES

The Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District. The amounts reported in the budgetary statements reflect the amounts in the original and final amended certificate of estimated resources issued during fiscal year 2021.

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

APPROPRIATIONS

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. Prior to the passage of the annual appropriation resolution, the Board of Education may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at the fund level. Any revisions that alter the appropriations at the legal level of control must be approved by the Board of Education. The District Treasurer maintains budgetary information at the function and object level and has the authority to allocate appropriations at the function and object level in all funds without resolution by the Board of Education.

The Board of Education may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. Supplemental appropriations were legally enacted by the Board during fiscal year 2021.

The budget figures, which appear in the statement of budgetary comparisons, represent the original and final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

LAPSING OF APPROPRIATIONS

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not re-appropriated.

F. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District’s records. Each fund’s interest in the pool is presented as “equity in pooled cash and investments” on the basic financial statements.

During fiscal year 2021, investments were limited to Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Bank (FHLB) securities, U.S. Treasury notes, U.S. government money market mutual funds, the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, all investments are reported at fair value, which is based on quoted market prices.

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

In fiscal year 2021, the District invested in STAR Ohio. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its 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 fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $100 million. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes, the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2021 amounted to $11,853, which includes $3,180 assigned from other District funds.

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

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

G. Inventory

On government-wide and fund financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis. Donated commodities are presented at their entitlement value. Inventories are accounted for using the purchase method on the fund financial statements, in which an expenditure is recognized upon the purchase of inventory, and using the consumption method on the government-wide statements, in which inventories are expensed when used.

H. Capital Assets

General capital assets are those related to government activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets 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 values as of the date received. The District maintains a capitalization threshold of $5,000 for its general capital assets. 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.

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

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

Description	Governmental Activities Estimated Lives
Land improvements	20 years
Buildings and improvements	25 - 50 years
Furniture and equipment	5 - 20 years
Vehicles	6 - 10 years

I. Interfund Balances

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

J. Compensated Absences

GASB Statement No. 16, "*Accounting for Compensated Absences*", specifies the method used to accrue liabilities for leave benefits. 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 method. An accrual for earned sick leave is made to the extent that is probable that benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2021 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

K. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

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

L. Bond, COPs and Lease Issuance Costs and Bond Premiums and Discounts

On both the government-wide financial statements and the fund financial statements, bond, certificates of participation, and lease issuance costs are recognized in the period in which these items are incurred.

On the government-wide financial statements, bond premiums and discounts are amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds and bond discounts are presented as a reduction to the face amount of the bonds. On the governmental fund financial statements, bond premiums and discounts are recognized in the period in which these items are incurred. The reconciliation between the face value of bonds and the amount reported on the statement of net position is presented in Note 10.

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 in the general fund.

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 Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year’s 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.

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

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

N. Net Position

Net position represents the difference between assets and deferred outflows 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 amount restricted for other purposes represents amounts restricted for food service and expenses for the District's educational foundation fund (a nonmajor governmental fund).

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

O. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At fiscal year end, because prepayments are not available to finance future governmental fund expenditures, fund balances are nonspendable on the fund financial statements by an amount equal to the carrying value of the assets.

P. 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.

Q. Interfund Activity

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

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

R. Pensions/Other Postemployment Benefits (OPEB)

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

S. Parochial and Private Schools

Within the District boundaries, the Immaculate Conception School is operated through the Columbus Catholic Diocese. Current State legislation provides funding to this parochial school. These monies are received and disbursed on behalf of the parochial school by the Treasurer of the District, as directed by the parochial school. The fiduciary responsibility of the District for these monies is reflected in a nonmajor governmental fund for financial reporting purposes.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2021.

U. Fair Value Measurements

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

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

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Deficit Fund Balances

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

Nonmajor funds	Deficit
Food Service	$ 60,391
Public School Preschool	5,420
IDEA, Part B	20,537

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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 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 market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

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

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

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

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

A. Deposits with Financial Institutions

At June 30, 2021, the carrying amount of all District deposits was $1,136,892. Based on the criteria described in GASB Statement No. 40, "*Deposits and Investment Risk Disclosures*", as of June 30, 2021, $1,605,436 of the District's bank balance of $1,355,436 was exposed to custodial risk as discussed below, while $250,000 was covered by the FDIC

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 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 fiscal year 2021, the District's financial institutions pledged eligible securities whose fair value was at least 50 percent of the deposits being secured. 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)

B. Investments

As of June 30, 2021, 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:				
FFCB	$ 189,445	$ -	$ -	$ 189,445
FHLB	84,593	-	59,836	24,757
FHLMC	184,404	-	-	184,404
FNMA	29,842	-	-	29,842
US Govt Money Market	818	818	-	-
US Treasury Note	49,938	-	49,938	-
Amortized cost:				
STAR Ohio	7,460,194	7,460,194	-	-
Total	$ 7,999,234	$ 7,461,012	$109,774	$ 428,448

The weighted average maturity of investments is 0.18 years.

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

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from changing interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: STAR Ohio and the U.S. government money market mutual fund carry ratings of AAAm by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's federal agency securities and U.S. Treasury notes were rated Aaa by Moody's Investor Services and AA+ by Standard and Poor's. The U.S. Treasury bills were rated P-1 by Moody's Investor Services and A-1+ by Standard and Poor's.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's federal agency securities (FHLMC, FNMA, FFCB), U.S. Treasury notes, and U.S. Treasury bills are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirements of State statute.

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

Measurement/Investment type	Measurement Value	% of Total
Fair value:		
FFCB	$ 189,445	2.37
FHLB	84,593	1.06
FHLMC	184,404	2.31
FNMA	29,842	0.37
U.S. Government Money Market	818	0.01
US Treasury Note	49,938	0.62
Amortized cost:		
STAR Ohio	7,460,194	93.26
Total	$ 7,999,234	100.00

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

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

Cash and investments per note	
Carrying amount of deposits	$ 1,136,892
Investments	7,999,234
Total	$ 9,136,126
Cash and investments per statement of net position	
Governmental activities	$ 9,136,126

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund transfers for the fiscal year ended June 30, 2021, consisted of the following, as reported on the fund statements:

	Amount
Transfers from general fund to:	
Nonmajor governmental funds	$ 160,521

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

B. Short-term interfund balances at June 30, 2021, as reported on the fund financial statements, consist of the following interfund loans receivable/payable.

Interfund Loan Receivable	Interfund Loan Payable	Amount
General fund	ESSER fund	$ 1,009,120
General fund	Nonmajor governmental funds	153,268
Total		$ 1,162,388

The primary purpose of the interfund loans is to cover negative cash balances at fiscal year-end. Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at June 30, 2021 are reported on the statement of net position.

NOTE 6 - 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 2021 represent the collection of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed values as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market 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 2021 represent the collection of calendar year 2020 taxes. Public utility real and personal property taxes received in calendar year 2021 became a lien on December 31, 2019, were levied after April 1, 2020, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Tuscarawas County. The 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, 2021, are available to finance fiscal year 2022 operations. The amount available as an advance at June 30, 2021 was $619,259 in the general fund, $23,857 in the bond retirement fund (a nonmajor governmental fund), and $58,853 in the permanent improvement fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2020 was $567,082 in the general fund, $50,810 in the bond retirement fund (a nonmajor governmental fund), and $8,315 in the classroom facilities maintenance fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflow of resources.

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 of resources.

NOTE 6 - PROPERTY TAXES - (Continued)

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

	2020 Second Half Collections		2021 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/residential and other real estate	$ 172,622,450	84.27	$ 173,926,890	81.61
Public utility personal	32,226,070	15.73	39,200,210	18.39
Total	$ 204,848,520	100.00	$ 213,127,100	100.00
Tax rate per $1,000 of assessed valuation	$ 29.50		$ 30.60	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2021 consisted of property taxes, accounts, 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. A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities:	
Property taxes	$ 5,370,941
Accounts	3,877
Accrued interest	374
Intergovernmental	1,651,707
Total	$ 7,026,899

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

NOTE 8 - LEASE-PURCHASE AGREEMENT

On June 15, 2016, the District entered into a lease-purchase obligation for the financing of the replacement of the Junior High roof and air conditioning unit, replacement of the Junior high handicapped lift, repairs of the Intermediate school's walls and columns, the High School parking lot replacement and for the Stadium electric service relocation. The lease payments will be recorded as expenditures in the general fund.

A liability in the amount of the present value of minimum lease payments has been recorded in the statement of net position. Capital assets have been capitalized in the amount of $883,013. This amount represents the costs of the replacements and improvements as June 30, 2021.

NOTE 8 - LEASE-PURCHASE AGREEMENT - (Continued)

The following is a schedule of the future long-term minimum lease payments required under the lease-purchase agreement and the present value of the future minimum lease payments as of June 30, 2021:

Fiscal Year Ending June 30,	Amount
2022	$ 125,593
2023	125,320
2024	125,998
2025	125,626
2026	125,215
Total minimum lease payments	627,752
Less: amount representing interest	(29,752)
Total	$ 598,000

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Balance 6/30/20	Additions	Deductions	Balance 6/30/21
Capital assets, not being depreciated:				
Land	$ 318,293	$ -	$ -	$ 318,293
Construction in progress	-	6,187,566	(1,297,126)	4,890,440
Total capital assets, not being depreciated	318,293	6,187,566	(1,297,126)	5,208,733
Capital assets, being depreciated:				
Land improvements	665,744	-	-	665,744
Buildings and improvements	31,822,848	1,343,706	-	33,166,554
Furniture and equipment	4,467,747	82,041	(30,925)	4,518,863
Vehicles	1,553,704	190,148	(248,237)	1,495,615
Total capital assets, being depreciated	38,510,043	1,615,895	(279,162)	39,846,776
Less: accumulated depreciation				
Land improvements	(467,530)	(17,921)	-	(485,451)
Buildings and improvements	(18,071,188)	(752,924)	-	(18,824,112)
Furniture and equipment	(4,009,453)	(68,904)	30,007	(4,048,350)
Vehicles	(1,220,075)	(57,518)	248,237	(1,029,356)
Total accumulated depreciation	(23,768,246)	(897,267)	278,244	(24,387,269)
Governmental activities capital assets, net	$ 15,060,090	$ 6,906,194	$ (1,298,044)	$ 20,668,240

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction :	
Regular	$ 605,491
Special	42,238
Vocational	17,883
Support services :	
Pupil	5,298
Instructional staff	18,098
Administration	9,122
Operations and maintenance	85,933
Pupil transportation	57,790
Central	4,429
Food service operations	16,085
Operation of non-instructional	1,052
Extracurricular activities	33,848
Total depreciation expense	$ 897,267

NOTE 10 - LONG-TERM OBLIGATIONS

The District's long-term obligations activity during fiscal year 2021 consisted of the following.

	Balance Outstanding 6/30/20	Additions	Reductions	Balance Outstanding 6/30/21	Amounts Due in One Year
COPS, Series 2020	$ -	$ 6,500,000	$ -	$ 6,500,000	$ 25,000
General obligation bonds:					
Series 2015 - refunding bonds					
Current interest bonds	800,000	-	(390,000)	410,000	410,000
Series 2015 - limited tax - phone system					
Current interest bonds	22,817	-	(22,817)	-	-
Other long-term obligations:					
Lease purchase obligation series, 2016	711,000	-	(113,000)	598,000	115,000
Net pension liability	24,147,760	2,465,687	-	26,613,447	-
Net OPEB liability	2,125,460	-	(180,150)	1,945,310	-
Compensated absences	1,452,912	181,178	(245,520)	1,388,570	232,229
Total governmental activities	$ 29,259,949	$ 9,146,865	$ (951,487)	37,455,327	$ 782,229
Add: unamortized premium				213,684	
Total on statement of net position				$ 37,669,011	

General obligation bonds are direct obligations of the District for which the full faith, credit and resources are pledged and are payable from taxes levied on all taxable property of the District.

Lease purchase obligations will be paid from the general fund. See Note 8 for more information pertaining to the District's lease purchase obligations.

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

For the net pension liability the District pays obligations related to employee compensation from the fund benefitting from their service. See Note 14 for detail on the net pension liability.

For the net OPEB liability the District pays obligations related to employee compensation from the fund benefitting from their service. See Note 15 for detail on the net OPEB liability.

Compensated absences will be paid from the general fund, food service fund (a nonmajor governmental fund), the public school preschool fund (a nonmajor governmental fund), Title VI-B fund (a nonmajor governmental fund), Title I fund (a nonmajor governmental fund), and the improving teacher quality fund (a nonmajor governmental fund). See Note 11 for more information regarding compensated absences.

Certificates of Participation (COPS), Series 2020
On August 11, 2020, the District issued certificates of participation in the amount of $6,500,000 for the purpose of construction, enlarging and other improvement, furnishing and equipping of the Districts buildings and facilities. Interest rates on the current interest bonds range from 2.125-3.00% with interest payments due on June 1 and December 1 of each year until final maturity at December 1, 2049. The debt will be retired through the permanent improvement fund (a nonmajor governmental fund).

Principal and interest requirements to retire certificates of participation outstanding at June 30, 2021 are as follows:

Fiscal	Certificates of Participation		
Year Ending,	Principal	Interest	Total
2022	$ 25,000	$ 166,140	$ 191,140
2023	155,000	163,441	318,441
2024	160,000	158,715	318,715
2025	165,000	153,840	318,840
2026	170,000	148,815	318,815
2027 - 2031	935,000	663,148	1,598,148
2032 - 2036	1,085,000	512,799	1,597,799
2037 - 2041	1,225,000	378,180	1,603,180
2042 - 2046	1,365,000	232,296	1,597,296
2047 -2050	1,215,000	60,332	1,275,332
Total	$ 6,500,000	$ 2,637,706	$ 9,137,706

Series 2015 – Refunding Bonds
On March 3, 2015, the District issued Series 2015 general obligation refunding bonds to currently refund the Series 2005 current interest bonds. The issuance proceeds of $1,195,000 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. At June 30, 2021, $410,000 of the refunded debt was outstanding.

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

This issue is comprised of current interest bonds, par value $1,195,000. The interest rates on the current interest bonds range of 3.25% with a final stated maturity on December 1, 2021. The Series 2015 refunding bonds will be repaid from the debt service fund (a nonmajor governmental fund). The following is a summary of the future debt service requirements to maturity for the Series 2015 refunding bonds:

Fiscal Year	Current Interest Bonds		
Year Ending June 30,	Principal	Interest	Total
2022	$ 410,000	$ 6,663	$ 416,663
Total	$ 410,000	$ 6,663	$ 416,663

In September 2015, the District issued $108,918 in limited tax general obligation bonds. The bonds were used to purchase a new phone system for the District. The interest rate for the bonds is 2.18% with a maturity of December 1, 2020. During fiscal year 2021, the District made principal payments and interest payments of $22,817 and $249 respectively on the bonds. The principal and interest payments will be recorded as expenditures in the general fund. At June 30, 2021, there were no further obligations outstanding.

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District’s legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District’s legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2021, are a voted debt margin of $19,146,956 (including available funds of $375,517) and an unvoted debt margin of $213,127.

NOTE 11 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified, eleven and twelve-month administrative employees earn 10 to 25 days of vacation per fiscal year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and other administrators 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 260 days for all employees. Upon retirement, classified and certified employees receive one-fourth of their total sick leave accumulation, up to a maximum of 50 days. Compensated absences will be paid from the fund from which the employee is paid.

NOTE 12 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2021, the District contracted with the Ohio School Plan for the following insurance coverage as follows:

Type of Coverage	Coverage
Property Coverage:	$ 105,079,158
Blanket buildings and contents	
Auto Liability	2,000,000
Uninsured Motorist	1,000,000
Commercial General Liability:	2,000,000
Each occurence	
Fire damages	500,000
General aggregate	4,000,000
Products/completed operations aggregate	2,000,000
Employers Stop Gap Liability:	
Bodily injury by accident	2,000,000
Bodily injury by disease	2,000,000
Aggregate limit	2,000,000
Errors and Omissions:	
Each errors and ommissions injury limit	2,000,000
Aggregate limit	4,000,000

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

B. Medical, Dental and Vision Insurance

The District participates in the Stark County Schools Council of Governments Health Benefit Plan, a risk sharing pool to provide medical/surgical benefits for employees. The Stark County Schools Council has selected Mutual Health Services to provide third party administrative services in claims processing. Employees may elect to choose from two Preferred Provider Organizations (PPO) with a co-insurance of 90% in-network and 80% non-network. The provider organizations are Aultcare and Medical Mutual. A preferred provider drug program is also included in the insurance program. The employee pays a 20% co-payment to the provider and the remaining 80% is directly billed to the insurance company. Caremark serves as the preferred provider for the drug program. During fiscal year 2021, the District paid $1,764 for certified and $1,797 for classified family plans or $710 for certified and $728 for classified individual coverage per month to the Stark County Educational Service Center who serves as the fiscal agent for the Health Benefits Plan. The premium is paid by the fund that pays the salary for the employee and is based on a rate determined by an actuary for the Health Benefits Plan.

The District also provides dental and vision benefits, which are administered by the Health Benefits Plan. Mutual Health Services serves as the third party administrator to provide claims processing services these plans. During fiscal year 2021, the monthly premium for dental coverage was $231 for family coverage and $93 for individual coverage. During fiscal year 2021, the premium for vision coverage was $49 for family coverage and $20 for individual coverage. The premiums for these coverages are also paid into the insurance pool.

NOTE 12 - RISK MANAGEMENT - (Continued)

C. Life Insurance

The District provides life insurance and accidental death and dismemberment insurance to most employees. Life insurance is provided through Dearborn National Life Insurance.

D. Workers' Compensation

The District paid the State Workers' Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the monthly total gross payroll by a factor that the State calculates. The District utilizes CompManagement, Inc. as a third party administrator.

NOTE 13 - COMMITMENTS

A. 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 in the governmental funds were as follows:

Fund	Year-End Encumbrances
General fund	$ 257,329
ESSER fund	124,419
Building fund	1,461,753
Nonmajor governmental funds	1,026,423
Total	$ 2,869,924

B. Contractual Commitments

As of June 30, 2021, the District had the following contractual commitments outstanding:

Vendor	Total Contract	Amount Paid	Remaining Commitment June 30, 2021
Alumni Roofing Company, Inc.	$ 560,600	$ (475,000)	$ 85,600
Beaver Constructors, Inc.	2,870,683	(1,685,028)	1,185,655
Diversified Engineering, Inc.	205,339	(125,146)	80,193
Total	$ 3,636,622	$ (2,285,174)	$ 1,351,448

NOTE 14 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability/Asset

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

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

The District's contractually required contribution to SERS was $363,912 for fiscal year 2021. Of this amount, $35,730 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

The District's contractually required contribution to STRS was $1,377,865 for fiscal year 2021. Of this amount, $240,464 is reported as pension and postemployment benefits payable.

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

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

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

	SERS	STRS	Total
Proportion of the net pension liability prior measurement date	0.08206160%	0.08699251%	
Proportion of the net pension liability current measurement date	0.08735290%	0.08611077%	
Change in proportionate share	0.00529130%	-0.00088174%	
Proportionate share of the net pension liability	$ 5,777,705	$ 20,835,742	$ 26,613,447
Pension expense	$ 650,982	$ 2,793,825	$ 3,444,807

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 11,224	$ 46,750	$ 57,974
Net difference between projected and actual earnings on pension plan investments	366,769	1,013,242	1,380,011
Changes of assumptions	-	1,118,477	1,118,477
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	200,368	129,971	330,339
Contributions subsequent to the measurement date	363,912	1,377,865	1,741,777
Total deferred outflows of resources	$ 942,273	$ 3,686,305	$ 4,628,578

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ -	$ 133,232	$ 133,232
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	97,270	214,260	311,530
Total deferred inflows of resources	$ 97,270	$ 347,492	$ 444,762

$1,741,777 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	$ 28,354	$ 690,728	$ 719,082
2023	185,029	296,938	481,967
2024	152,876	558,668	711,544
2025	114,832	414,614	529,446
Total	$ 481,091	$ 1,960,948	$ 2,442,039

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - SERS

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

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

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

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

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

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

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

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

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	$ 7,914,750	$ 5,777,705	$ 3,984,683

Actuarial Assumptions - STRS

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

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

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	$ 29,666,470	$ 20,835,742	$ 13,352,436

NOTE 15 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 14 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2021, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was $23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the District's surcharge obligation was $56,388.

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 $56,388 for fiscal year 2021. Of this amount, $56,388 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

NOTE 15 - 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, 2020, STRS did not allocate any employer contributions to post-employment health care.

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

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

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

	SERS	STRS	Total
Proportion of the net OPEB liability/asset prior measurement date	0.08451840%	0.08699251%	
Proportion of the net OPEB liability/asset current measurement date	0.08950840%	0.08611077%	
Change in proportionate share	0.00499000%	-0.00088174%	
Proportionate share of the net OPEB liability	$ 1,945,310	$ -	$ 1,945,310
Proportionate share of the net OPEB asset	$ -	$ (1,513,396)	$ (1,513,396)
OPEB expense	$ 6,710	$ (86,317)	$ (79,607)

At June 30, 2021, 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	$ 25,548	$ 96,972	$ 122,520
Net difference between projected and actual earnings on OPEB plan investments	21,920	53,042	74,962
Changes of assumptions	331,608	24,983	356,591
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	185,509	17,853	203,362
Contributions subsequent to the measurement date	56,388	-	56,388
Total deferred outflows of resources	$ 620,973	$ 192,850	$ 813,823

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

	SERS	STRS	Total
Deferred inflows of resources			
Differences between expected and actual experience	$ 989,327	$ 301,446	$ 1,290,773
Changes of assumptions	48,997	1,437,473	1,486,470
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	158,096	7,612	165,708
Total deferred inflows of resources	$ 1,196,420	$ 1,746,531	$ 2,942,951

$56,388 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2022.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	$ (125,757)	$ (387,127)	$ (512,884)
2023	(124,172)	(351,227)	(475,399)
2024	(124,430)	(338,635)	(463,065)
2025	(135,566)	(335,128)	(470,694)
2026	(96,556)	(68,231)	(164,787)
Thereafter	(25,354)	(73,333)	(98,687)
Total	$ (631,835)	$ (1,553,681)	$ (2,185,516)

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.

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 2,381,012	$ 1,945,310	$ 1,598,929

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	$ 1,531,784	$ 1,945,310	$ 2,498,301

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - STRS

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

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

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

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

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

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

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

NOTE 15 - 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 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB asset as of June 30, 2020.

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

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	$ 1,316,753	$ 1,513,396	$ 1,680,240

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	$ 1,669,883	$ 1,513,396	$ 1,322,770

NOTE 16 - 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.

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING – (Continued)

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and ESSER fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

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

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

(d) Investments are reported at fair value (GAAP) basis as opposed to cost (budget basis);

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

(f) 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	$ 888,656	$ (1,163,089)
Net adjustment for revenue accruals	378,801	1,038,671
Net adjustment for expenditure accruals	58,177	(29,229)
Net adjustment for other sources/uses	(321,046)	-
Funds budgeted elsewhere	7,735	-
Adjustment for encumbrances	270,585	153,969
GAAP basis	$ 1,282,908	$ 322

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the uniform school supplies fund, the public school support fund and the unclaimed monies fund.

NOTE 17 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

The District is involved in no material litigation as either plaintiff or defendant.

C. 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. Additional ODE adjustments for fiscal year 2021 have been finalized. FTE adjustments were not significant to the District.

NOTE 18 - SET-ASIDES

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

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

	Capital Improvements
Set-aside balance June 30, 2020	$ -
Current year set-aside requirement	328,481
Current year offsets	(255,240)
Prior year offset from bond proceeds	(73,241)
Total	$ -
Balance carried forward to fiscal year 2022	$ -
Set-aside balance June 30, 2021	$ -

NOTE 19 - TAX ABATEMENT AGREEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Mill Township and the Village of Dennison entered into Community Reinvestment Area (CRA) agreements with various property owners for the abatement of property taxes to encourage economic development into the Township. Under the agreements, the property owner's property taxes assessed to the District have been abated. During fiscal year 2021, the School District's property taxes were reduced by approximately $2,825.

NOTE 20 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District's investment portfolio and the pension and other employee benefits plan in which the District participate fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 21 - SUBSEQUENT EVENT

For fiscal year 2022, District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school and scholarship funding will be directly funded by the State of Ohio to the respective schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the District were funded to the District who, in turn, made the payment to the respective school. For fiscal year 2021, the District reported $399,665 in revenue and expenditures/expense related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each District. The District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

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REQUIRED SUPPLEMENTARY INFORMATION

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT FISCAL YEARS

	2021	**2020**	**2019**	**2018**
District's proportion of the net pension liability	0.08735290%	0.08206160%	0.09126350%	0.08507310%
District's proportionate share of the net pension liability	$ 5,777,705	$ 4,909,889	$ 5,226,830	$ 5,082,930
District's covered payroll	$ 3,165,364	$ 2,872,941	$ 2,909,533	$ 2,874,300
District's proportionate share of the net pension liability as a percentage of its covered payroll	182.53%	170.90%	179.64%	176.84%
Plan fiduciary net position as a percentage of the total pension liability	68.55%	70.85%	71.36%	69.50%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	2017	2016	2015	2014
	0.08629200%	0.08104840%	0.08310000%	0.08310000%
	$ 6,315,778	$ 4,624,700	$ 4,205,644	$ 4,941,690
	$ 2,800,414	$ 2,439,977	$ 2,414,719	$ 2,317,854
	225.53%	189.54%	174.17%	213.20%
	62.98%	69.16%	71.70%	65.52%

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST EIGHT FISCAL YEARS

	2021	**2020**	**2019**	**2018**
District's proportion of the net pension liability	0.08611077%	0.08699251%	0.08594625%	0.08621481%
District's proportionate share of the net pension liability	$ 20,835,742	$ 19,237,871	$ 18,897,651	$ 20,480,513
District's covered payroll	$ 10,407,136	$ 10,265,857	$ 9,813,579	$ 9,680,921
District's proportionate share of the net pension liability as a percentage of its covered payroll	200.21%	187.40%	192.57%	211.56%
Plan fiduciary net position as a percentage of the total pension liability	75.48%	77.40%	77.31%	75.30%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014
0.08565504%	0.08287296%	0.08438585%	0.08438585%
$ 28,671,324	$ 22,903,662	$ 20,525,559	$ 24,449,912
$ 9,005,871	$ 8,785,979	$ 8,621,900	$ 8,960,054
318.36%	260.68%	238.06%	272.88%
66.80%	72.10%	74.70%	69.30%

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution	$ 363,912	$ 443,151	$ 387,847	$ 392,787
Contributions in relation to the contractually required contribution	(363,912)	(443,151)	(387,847)	(392,787)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 2,599,371	$ 3,165,364	$ 2,872,941	$ 2,909,533
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013	2012
$ 402,402	$ 392,058	$ 321,589	$ 334,680	$ 320,791	$ 316,952
(402,402)	(392,058)	(321,589)	(334,680)	(320,791)	(316,952)
$ -	$ -	$ -	$ -	$ -	$ -
$ 2,874,300	$ 2,800,414	$ 2,439,977	$ 2,414,719	$ 2,317,854	$ 2,356,520
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution	$ 1,377,865	$ 1,456,999	$ 1,437,220	$ 1,373,901
Contributions in relation to the contractually required contribution	(1,377,865)	(1,456,999)	(1,437,220)	(1,373,901)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 9,841,893	$ 10,407,136	$ 10,265,857	$ 9,813,579
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017		2016		2015		2014		2013		2012	
$	1,355,329	$	1,260,822	$	1,230,037	$	1,120,847	$	1,164,807	$	1,211,366
	(1,355,329)		(1,260,822)		(1,230,037)		(1,120,847)		(1,164,807)		(1,211,366)
$	-	$	-	$	-	$	-	$	-	$	-
$	9,680,921	$	9,005,871	$	8,785,979	$	8,621,900	$	8,960,054	$	9,318,200
	14.00%		14.00%		14.00%		13.00%		13.00%		13.00%

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS 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 FOUR FISCAL YEARS

	2021	2020	2019	2018	2017
District's proportion of the net OPEB liability	0.08950840%	0.08451840%	0.09214130%	0.08624510%	0.08732772%
District's proportionate share of the net OPEB liability	$ 1,945,310	$ 2,125,460	$ 2,556,249	$ 2,314,592	$ 2,489,163
District's covered payroll	$ 3,165,364	$ 2,872,941	$ 2,909,533	$ 2,874,300	$ 2,800,414
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	61.46%	73.98%	87.86%	80.53%	88.89%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%	11.49%

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

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE FISCAL YEARS

	2021	**2020**	**2019**	**2018**	**2017**
District's proportion of the net OPEB liability/asset	0.08611077%	0.08699251%	0.08594625%	0.08621481%	0.08565504%
District's proportionate share of the net OPEB liability/(asset)	$ (1,513,396)	$ (1,440,804)	$ (1,381,068)	$ 3,363,784	$ 4,580,854
District's covered payroll	$ 10,407,136	$ 10,265,857	$ 9,813,579	$ 9,680,921	$ 9,005,871
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	14.54%	14.03%	14.07%	34.75%	50.87%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	182.10%	174.70%	176.00%	47.10%	37.30%

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

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution	$ 56,388	$ 52,122	$ 67,927	$ 62,348
Contributions in relation to the contractually required contribution	(56,388)	(52,122)	(67,927)	(62,348)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 2,599,371	$ 3,165,364	$ 2,872,941	$ 2,909,533
Contributions as a percentage of covered payroll	2.17%	1.65%	2.36%	2.14%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013	2012
$ 46,615	$ 42,409	$ 62,417	$ 43,622	$ 38,291	$ 59,042
(46,615)	(42,409)	(62,417)	(43,622)	(38,291)	(59,042)
$ -	$ -	$ -	$ -	$ -	$ -
$ 2,874,300	$ 2,800,414	$ 2,439,977	$ 2,414,719	$ 2,317,854	$ 2,356,520
1.62%	1.51%	2.56%	1.81%	1.65%	2.51%

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	2021	2020	2019	2018
Contractually required contribution	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
District's covered payroll	$ 9,841,893	$ 10,407,136	$ 10,265,857	$ 9,813,579
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017	2016	2015	2014	2013	2012
$ -	$ -	$ -	$ 88,174	$ 89,601	$ 93,182
-	-	-	(88,174)	(89,601)	(93,182)
$ -	$ -	$ -	$ -	$ -	$ -
$ 9,680,921	$ 9,005,871	$ 8,785,979	$ 8,621,900	$ 8,960,054	$ 9,318,200
0.00%	0.00%	0.00%	1.00%	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 years 2019-2021.

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

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

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

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

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

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

(Continued)

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

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

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

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

Federal Grantor/ *Pass Through Grantor /* Program Title	Grant Year	Federal AL Number	Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through The Ohio Department of Education:			
Child Nutrition Cluster:			
National School Breakfast Program	2021	10.553	$ 143,933
National School Breakfast Program - COVID-19			11,151
Total AL 10.553			155,084
National School Lunch Program	2021	10.555	385,216
National School Lunch Program - COVID-19	2021	10.555	35,307
National Commodities Program - Noncash Assistance	2021	10.555	69,723
Total AL 10.555			490,246
Total Child Nutrition Cluster			645,330
Total U.S. Department of Agriculture			645,330
U.S. DEPARTMENT OF THE TREASURY:			
Passed - Through Tuscarawas County, Ohio			
Local Coronavirus Relief Fund	2021	21.019	110,181
Broadband Connectivity Grant	2021	21.019	7,371
Total AL 21.019			117,552
Total U.S. Department of the Treasury			117,552
U.S. DEPARTMENT OF EDUCATION			
Passed Through The Ohio Department of Education:			
School Quality Improvement - Supplement	2020	84.010A	28,529
School Quality Improvement	2020	84.010A	98,658
School Quality Improvement	2021	84.010A	143,192
Title I Grants to Local Educational Agencies	2020	84.010	69,732
Title I Grants to Local Educational Agencies	2021	84.010	527,933
Title I Grants to Local Educational Agencies - Neglected	2021	84.010	2,336
Expanding Opportunities	2021	84.010	12,699
Total Title I Grants to Local Educational Agencies			883,079
Special Education Cluster			
Special Education Grants to States (IDEA B)	2020	84.027	56,938
Special Education Grants to States (IDEA B)	2021	84.027	434,038
Total AL 84.027			490,976
Special Education Restoration Funds	2020	84.173	502
Special Education Preschool Grants	2021	84.173	8,041
Total AL 84.173			8,543
Total Special Education Grants to States			499,519
Title V-B Rural Education	2020	84.358	4,247
Title V-B Rural Education	2021	84.358	12,210
Total V-B Rural Education			16,457
Title II-A Improving Teacher Quality State Grants	2021	84.367	30,687
Title IV-A Student Support and Academic Enrichment	2021	84.424	44,400
Education Stabilization Fund	2021	84.425D	1,718,451
Total – U.S. Department of Education			3,192,593
Total Expenditures of Federal Awards			$ 3,955,475

See the accompanying notes to the Schedule of Federal Expenditures.

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2021. 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 or changes in net position of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

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

February 28, 2022

Claymont City School District
Tuscarawas County
201 North Third Street
Dennison, Ohio 44621

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the **Claymont City School District**, Tuscarawas County (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 28, 2022.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the School's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

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Certified Public Accountants, A.C.
Marietta, Ohio

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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

February 28, 2022

Claymont City School District
Tuscarawas County
201 North Third Street
Dennison, Ohio 44621

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited **Claymont City School District's** (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the District's major federal program for the year ended June 30, 2021. The *Summary of Auditor's Results* in the accompanying schedule of audit findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in 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 Principals, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, Claymont City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

This report only describes the scope of our tests of internal control over compliance and the results of this testing based on the Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

CLAYMONT CITY SCHOOL DISTRICT
TUSCARAWAS COUNTY

SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any other 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 other 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):**	Education Stabilization Fund, COVID-19, AL #84.425D
(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

None

3. FINDINGS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE
KEITH FABER

CLAYMONT CITY SCHOOL DISTRICT

TUSCARAWAS 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 5/5/2022

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