OHIO AUDITOR OF STATE
KEITH FABER

SOUTHERN LOCAL SCHOOL DISTRICT
MEIGS COUNTY
JUNE 30, 2021

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Southern Local School District
Meigs County
P.O. Box 147
Racine, Ohio 45771

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southern Local School District, Meigs 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 District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 25 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter.

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 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 (the Schedule) 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 May 13, 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.

Keith Faber
Auditor of State
Columbus, Ohio

May 13, 2022

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The discussion and analysis of the Southern Local School District's (the District) financial performance provides an overview and analysis 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 our notes to the basic financial statements and the financial statements themselves to enhance their understanding of the District's financial performance.

Financial Highlights

< The assets and deferred outflows of Southern Local School District exceeded its liabilities and deferred inflows at June 30, 2021 by $12,706,837. Of this amount, $15,030,919 represents net investment in capital assets and net position amounts restricted for specific purposes. The remaining deficit of $2,324,082 represents unrestricted net position.

< In total, net position of governmental activities increased by $814,208 which represents a 6.85 percent increase from 2020.

< General revenues accounted for $8,443,673 or 72.02 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for $3,280,285 or 27.98 percent of total revenues of $11,723,958.

< The District had $10,909,750 in expenses related to governmental activities; only $3,280,285 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues (primarily taxes and grants and entitlements) of $8,443,673 were sufficient to provide for the remainder of these programs.

< The District recognizes two major governmental funds: the General Fund and Bond Retirement Fund. In terms of dollars received and spent, the General Fund is significantly larger than all the other funds of the District combined. The General Fund had $8,603,643 in revenues and $7,721,903 in expenditures in fiscal year 2021.

Using this Annual Financial Report

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 Southern Local School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions.

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 as the District's most significant funds with all other non-major funds presented in total in one column.

Reporting the District as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the large number of funds used by the District to provide programs and activities for students, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do 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, liabilities and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, all of the District's programs and services are reported as governmental activities including instructional services, support services, operation of non-instructional services, bond service operations and extracurricular activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major funds begins on page 12. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General Fund and Bond Retirement Fund.

Governmental Funds

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

Proprietary Fund

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The District's only one fund of this type is the Self-Insurance Internal Service Fund. However, the activity of this fund is combined with the Governmental Activities on the entity-wide financial statements.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the District as a whole. Table 1 provides a summary of the District's net position for 2021 compared to fiscal year 2020:

Table 1

Net Position at Year End

	Governmental Activities		
	2021	2020	Change
Assets:			
Current and Other Assets	$12,044,973	$10,820,029	$1,224,944
Net OPEB Asset	461,954	424,532	37,422
Capital Assets, Net	15,893,677	16,291,312	(397,635)
Total Assets	28,400,604	27,535,873	864,731
Deferred Outflows of Resources:			
Deferred Charges on Refunding	2,801	9,426	(6,625)
Pension	1,508,838	1,371,437	137,401
OPEB	214,605	134,196	80,409
Total Deferred Outflows of Resources	1,726,244	1,515,059	211,185
Liabilities:			
Current and Other Liabilities	1,238,376	1,176,904	61,472
Long-Term Liabilities:			
Due Within One Year	502,289	487,760	14,529
Due in More than One Year:			
Net Pension Liability	8,307,482	7,424,417	883,065
Net OPEB Liability	660,965	753,660	(92,695)
Other Amounts	4,124,556	4,581,835	(457,279)
Total Liabilities	14,833,668	14,424,576	409,092
Deferred Inflows of Resources:			
Property Taxes	1,545,192	1,485,050	60,142
Pension	126,852	487,960	(361,108)
OPEB	914,299	760,717	153,582
Total Deferred Inflows of Resources	2,586,343	2,733,727	(147,384)
Net Position:			
Net Investment in Capital Assets	12,214,870	12,195,718	19,152
Restricted	2,816,049	2,447,729	368,320
Unrestricted	(2,324,082)	(2,750,818)	426,736
Total Net Position	$12,706,837	$11,892,629	$814,208

The net pension liability (NPL) and net other postemployment benefits liability (OPEB) are the largest liabilities reported by the District at June 30, 2021 and are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB Statement No. 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB Statement No. 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems 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 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.

Current and other assets increased $1,224,944 from fiscal year 2021 due primarily to an increase in cash and cash equivalents and property taxes receivable. Capital assets decreased by $397,635, due to capital asset current year depreciation exceeding additions.

Current (other) liabilities increased by $61,472 or 5.22 percent, due primarily to an increase in accrued wages and benefits.

Long-term liabilities increased by $347,620 or 2.62 percent, due primarily to the increase in net pension liability.

The District's largest portion of net position is related to amounts of net investment in capital assets. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to pay these liabilities.

The District's smallest portion of net position is unrestricted, and carries a deficit balance of $2,324,082. Unrestricted net position represents resources that may be used to meet the District's ongoing obligations to its students and creditors.

The remaining balance of $2,816,049 is restricted net position. The restricted net position is subject to external restrictions on how they may be used.

Table 2 shows the changes in net position for fiscal year 2021 and provides a comparison to fiscal year 2020.

Table 2
Changes in Net Position

	Governmental Activities		
	2021	2020	Change
Revenues:			
Program Revenues:			
Charges for Services and Sales	$574,353	$578,558	($4,205)
Operating Grants and Contributions	2,705,932	2,242,982	462,950
General Revenues:			
Property Taxes	2,719,209	2,766,957	(47,748)
Unrestricted Grants and Entitlements	5,627,459	5,187,366	440,093
Investment Earnings	30,354	88,958	(58,604)
Gain on Sale of Capital Assets	0	1,392	(1,392)
Miscellaneous	66,651	68,772	(2,121)
Total Revenues	11,723,958	10,934,985	788,973
Expenses:			
Instruction:			
Regular	3,808,051	3,759,512	48,539
Special	1,332,732	1,241,634	91,098
Vocational	172,734	205,400	(32,666)
Adult/Continuing	0	18,495	(18,495)
Student Intervention Services	771	3,189	(2,418)
Other	944,422	839,526	104,896
Support Services:			
Pupils	770,687	642,543	128,144
Instructional Staff	390,993	322,611	68,382
Board of Education	37,075	38,598	(1,523)
Administration	491,915	511,164	(19,249)
Fiscal	380,814	359,242	21,572
Operation and Maintenance of Plant	980,438	1,419,110	(438,672)
Pupil Transportation	568,062	565,723	2,339
Central	222,632	280,030	(57,398)
Operation of Non-Instructional Services:			
Food Services	485,116	467,405	17,711
Community Services	0	7,640	(7,640)
Extracurricular Activities	234,719	267,739	(33,020)
Interest and Fiscal Charges	50,130	199,292	(149,162)
Total Expenses	10,909,750	11,148,853	(239,103)
Change in Net Position	814,208	(213,868)	1,028,076
Net Position at Beginning of Year	11,892,629	12,106,497	(213,868)
Net Position at End of Year	$12,706,837	$11,892,629	$814,208

The most significant program expenses for the District are Regular Instruction, Special Instruction, Operation and Maintenance of Plant, Other Instruction, Pupils and Pupil Transportation. These programs account for 77.04 percent of the total governmental activities. Regular Instruction, which accounts for 34.91 percent of the total, represents costs associated with providing general educational services. Special Instruction, which represents 12.22 percent of the total, represents costs associated with providing educational services for handicapped, disadvantaged and other special needs students. Operation and Maintenance of Plant, which represents 8.99 percent of the total, represent costs associated with operating and maintaining the District's facilities. Other Instruction, which represents 8.66 percent of the total, represents costs associated with any instruction other than Regular, Elementary, Middle/Junior High, High School, Alternative School or Enrichment Instruction Activities. Pupils, which represents 7.06 percent of the total, represents costs associated with activities designed to assess and improve the wellbeing of pupils and supplement the teaching process. Pupil Transportation, which accounts for 5.20 percent of the total, represents costs associated with providing transportation services for students between home and school and to school activities.

As noted previously, the net position for the governmental activities increased $814,208 or 6.85 percent. This is a change from last year when net position decreased $213,868 or 1.77 percent. Total revenues increased $788,973 or 7.22 percent from last year and expenses decreased $239,103 or 2.14 percent from last year.

The District had a program revenue increase of $458,745 and an increase in general revenue of $330,228. The increase in program revenue is due primarily to an increase in operating grants and contributions and the increase in general revenue is due mostly to an increase in unrestricted grants and entitlements.

The total expenses for governmental activities decreased $239,103 or 2.14 percent, primarily due to decreases in operation and maintenance of plant support services. The large decrease in maintenance expenses is the result of an increase to prior year maintenance costs related to COVID-19 and those associated expenses being reduced in the current year.

Governmental Activities

Over the past several fiscal years, the District has remained in stable financial condition. This has been accomplished through strong voter support and good fiscal management. The District is heavily dependent on property taxes and intergovernmental revenue and, like most Ohio schools, is hampered by a lack of revenue growth. Property taxes made up 23.40 percent and intergovernmental revenue made up 70.87 percent of the total revenue for the governmental activities in fiscal year 2021.

The Ohio Legislature passed H.B. 920 (1976) and changed the way property taxes function in the State. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the District would receive from a home valued at $100,000 and taxed at 1.0 mill, $35.00 annually. If three years later the home were reappraised and the value increased to $200,000 (and this increase in value is comparable to other property owners) the effective tax rate would become 0.5 mill and the District would still receive $35.00 annually. Therefore, the District must regularly return to the voters to maintain a constant level of service.

The District's intergovernmental revenue consists primarily of school foundation basic allowance, homestead and rollback property tax allocation, and federal and state grants. During fiscal year 2021, the District received $7,799,315 through the State's foundation program, which represents 66.52 percent of the total revenue for the governmental activities. The District relies heavily on this state funding to operate at the current levels of service.

Instruction accounts for 57.37 percent of governmental activities program expenses. Support services expenses make up 35.22 percent of governmental activities expenses. The Statement of Activities shows the cost of program services and charges for services and grants offsetting those services.

Table 3 shows, for governmental activities, the total cost of services and the net cost of services for fiscal year 2021 compared with fiscal year 2020. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Net Cost of Governmental Activities

	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
Program Expenses:				
Instruction	$6,258,710	$4,184,963	$6,067,756	$4,563,179
Support Services	3,842,616	3,132,470	4,139,021	3,333,490
Operation of Non-Instructional Services	523,575	82,437	475,045	36,380
Extracurricular Activities	234,719	179,465	267,739	194,972
Interest and Fiscal Charges	50,130	50,130	199,292	199,292
Total Expenses	$10,909,750	$7,629,465	$11,148,853	$8,327,313

The District's Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting (See Note 2 for discussion of significant accounting policies). All governmental funds had total revenues and other financing sources of $11,727,141 and expenditures and other financing uses of $10,679,713.

The fund balances of the total governmental funds increased by $1,047,428 or 15.61 percent. The increase in fund balance for the year was most significant in the General Fund which increased $787,443 or 17.52 percent, and was primarily the result of an increase in property taxes revenue. In the Bond Retirement Fund, fund balance increased $284,487 or 15.65 percent, which was due to an increase in property taxes revenue.

Budget Highlights - General Fund

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

During the course of fiscal year 2021, the District amended its General Fund budget, but not significantly. The District uses a modified site-based budget technique that is designed to control site budgets while providing building administrators and supervisor's flexibility for site management.

For the General Fund, the final budget basis revenue was $8,659,276, representing an increase of $439,063 or 5.34 percent from the original budget estimate of $8,220,153. The increase was mostly the result of increased expectations for intergovernmental revenue. The final budget basis expenditures were $7,885,875 representing a decrease of $1,449,004 or 15.52 percent from the original budget basis expenditures of $9,334,879. The decrease was primarily due to decreases in regular instruction, special instruction, and operation and maintenance of plant expenditure functions.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2021, the District had $28,218,632 invested in land, land improvements, buildings and improvements, furniture, fixtures, and equipment, and vehicles, of which all was in governmental activities. That total carries an accumulated depreciation of $12,324,955. Table 4 shows fiscal year 2021 balances compared to fiscal year 2020.

Table 4

Capital Assets & Accumulated Depreciation at Year End

	Governmental Activities	
	2021	2020
Nondepreciable Capital Assets:		
Land	$199,100	$199,100
Depreciable Capital Assets:		
Land Improvements	1,724,161	1,724,161
Buildings and Improvements	22,859,167	22,859,167
Furniture, Fixtures and Equipment	2,407,538	2,074,336
Vehicles	1,028,666	934,934
Total Capital Assets	28,218,632	27,791,698
Less Accumulated Depreciation:		
Land Improvements	898,902	829,546
Buildings and Improvements	9,071,594	8,417,538
Furniture, Fixtures and Equipment	1,525,294	1,430,171
Vehicles	829,165	823,131
Total Accumulated Depreciation	12,324,955	11,500,386
Capital Assets, Net	$15,893,677	$16,291,312

See Note 9 to the basic financial statements for more information on capital assets.

Debt Administration

At June 30, 2021, the District had the following debt outstanding.

Table 5
Outstanding Debt, Governmental Activities at Year End

Purpose	2021	2020
2009 Classroom Facilities Refunding Bonds	$275,000	$540,000
2010 School Improvement Bonds	3,330,000	3,470,000
2017 Lighting Loan	72,525	83,021
Total	$3,677,525	$4,093,021

See Note 14 to the basic financial statements for more information on debt.

Current Issues

Over the past several years, school districts have experienced formula changes in state funding. Historically, funding formulas have been inconsistent and calculated using various formulas and components, but have maintained that Ohio's school funding formula is centered on the needs of students. Provisions of HB 166 of the 133rd General Assembly govern the calculation of the base line year FY 2021 foundation formula. The bulk of the foundation funding school districts received in FY 2020 and FY 2021 is based on the total calculated funding received in FY 2019. Two funding elements were introduced by HB 166 for implementation in FY 2020. They are the Student Wellness and Success Funding (these funds are removed from the forecast) and Enrollment Growth Supplement (the district has not experienced ADM growth). Some salaries, benefits, and purchase service expenses have been taken out of the forecast and assigned to Fund 467 (Student Wellness and Success). If this funding is eliminated, all assigned expenses will return to the General Fund. FY 2021 is the last year of the state biennium. House Bill (HB) 110-the budget bill-and the Fair School Funding Plan (FSFP) continue in the Senate.

COVID-19 has caused the national and state economy to decline. The economy is performing better than anticipated, but there are still many financial uncertainties regarding Real Estate, State Funding, and All Other Operating Revenues. The District assumes a decrease in Real Estate due to valuations, then a rebound. Slight increases in PUPP, and Property Tax Allocation collections. A reduction then consistent funding to State Funding, and decreases in All Other Revenue throughout is projected. Administration will closely monitor and adjust forecasted years as needed to make upcoming operating decisions. ***Additional changes in the formula and enrollment would have a large effect on the District.***

For Southern Local, general property taxes account for nearly 17.5% of our total general fund revenue. Historically, the District has had an excellent total collection rate. Despite COVID-19, it is projected that the Districts property tax collections will remain steady, with a slight increase to delinquencies. It is assumed that collection rates will remain consistent. ***The 1991 Current Expense 4.0 will expire with tax year 2023 and will be up for renewal.*** Public Utility Personal Property represent 5.2% overall percentage of total revenue for the District's general fund. Around 2.5% of overall revenue comes from Property Tax Allocation.

HB 166 introduced a new biennium budget. The FY 2019 per pupil and foundation revenue amount remained the base aid amount used in FY 2020 regardless of the factors. In addition to the base funding amount, the District received categorical funding. These funds are recorded in a special revenue fund and the District projects the movement of expenditures from the general fund to the special revenue fund receiving these dollars.

Due to the economic impact of COVID-19, the District's state executive ordered reduction for FY 2020 was ($123,912) and ($123,912) in FY 2021. However, there was a FY 2021 executive order adjustment of $68,006, revising the District's FY 2021 reduction to ($55,906). No additional cuts are projected. The District's funding level remains constant; however, expenditures are projected to increase. Currently, the District receives 62.6% of operating funds from state unrestricted funds.

House Bill (HB) 110-the budget bill-and the Fair School Funding Plan (FSFP) continue in the Senate. At this time, there is no way to foresee the next school funding formula. Administration will closely monitor and adjust years as needed. ***Any change in the formula and enrollment would have a large effect on the District.***

Of particular note for the District is the economic disadvantaged category. FY 2021, the K-12 qualified and is participating in the Community Eligibility Provision (CEP). With past formulas, the participation in this program affected the Districts economic disadvantaged ADM; and changes in the numbers of students and their needs, those who are economically disadvantaged influenced the amount of funding each District received. ***However, provisions of HB166 has frozen ED funding and it is equal to FY 2019 funding. Currently, the District's Economic Disadvantaged ADM on the SFPR Summary Report is 662.01 and our percentage is 96.40%.*** The statewide economic disadvantaged percentage is 46.62%.

Open enrollment in and out of the District is a major source of revenue, as well as, an expense, and the District must closely monitor the effects upon the District.

Personnel services must be monitored by the administration and the board in order to hold expenditures within budget availability. Management and labor, along with the insurance committee must maintain efforts to discuss continued changes to insurance plan design and healthcare costs and prevent meeting costly penalties. The District must monitor purchase services for continued and new agreements that will lower expenses and enrollment projections. These costs continue to increase due to the needs of our students and costly purchase services. The need for supplies and materials continues for instructional improvement and COVID-19. Capital outlay expenditures are planned. Transfers out to cover deficits is of great importance and concern to the District. The increase in the District's expenditures is attributed to the demand for instructional needs, enhancements, infrastructure, and funds to cover operational costs.

The District must focus on recognizing how these conditions relate to current operations, identify future years deficits, engage in planning for conditions prior to their arrival, and eliminate any projected deficit.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information contact Christi Hendrix, Treasurer at Southern Local School District, PO Box 147, Racine, OH 45771 or email christi.hendrix@southernlocal.net.

SOUTHERN LOCAL SCHOOL DISTRICT

Statement of Net Position

June 30, 2021

	Governmental Activities
Assets:	
Equity in Pooled Cash and Cash Equivalents	$7,209,844
Cash and Cash Equivalents with Fiscal Agent	968,828
Property Taxes Receivable	3,749,531
Intergovernmental Receivable	97,922
Materials and Supplies Inventory	18,848
Net OPEB Asset	461,954
Nondepreciable Capital Assets	199,100
Depreciable Capital Assets, Net	15,694,577
Total Assets	28,400,604
Deferred Outflows of Resources:	
Deferred Charge on Refunding	2,801
Pension	1,508,838
OPEB	214,605
Total Deferred Outflows of Resources	1,726,244
Liabilities:	
Accounts Payable	14,103
Accrued Wages and Benefits	872,246
Intergovernmental Payable	125,080
Accrued Interest Payable	21,045
Claims Payable	205,902
Long-Term Liabilities:	
Due within One Year	502,289
Due in More Than One Year:	
Net Pension Liability	8,307,482
Net OPEB Liability	660,965
Other Amounts Due in More Than One Year	4,124,556
Total Liabilities	14,833,668
Deferred Inflows of Resources:	
Property Taxes	1,545,192
Pension	126,852
OPEB	914,299
Total Deferred Inflows of Resources	2,586,343
Net Position:	
Net Investment in Capital Assets	12,214,870
Restricted for:	
Debt Service	2,261,276
Capital Outlay	163,505
Set Asides	29,863
Other Purposes	361,405
Unrestricted	(2,324,082)
Total Net Position	$12,706,837

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2021

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
Instruction:				
Regular	$3,808,051	$521,515	$555,169	($2,731,367)
Special	1,332,732	0	779,110	(553,622)
Vocational	172,734	0	69,884	(102,850)
Student Intervention Services	771	0	0	(771)
Other	944,422	0	148,069	(796,353)
Support Services:				
Pupils	770,687	0	452,174	(318,513)
Instructional Staff	390,993	0	48,995	(341,998)
Board of Education	37,075	0	0	(37,075)
Administration	491,915	0	7,391	(484,524)
Fiscal	380,814	0	3,600	(377,214)
Operation and Maintenance of Plant	980,438	1,669	98,949	(879,820)
Pupil Transportation	568,062	0	51,410	(516,652)
Central	222,632	0	45,958	(176,674)
Operation of Non-Instructional Services:				
Food Services	485,116	1,951	395,357	(87,808)
Other	38,459	0	43,830	5,371
Extracurricular Activities	234,719	49,218	6,036	(179,465)
Debt Service:				
Interest and Fiscal Charges	50,130	0	0	(50,130)
Total Governmental Activities	$10,909,750	$574,353	$2,705,932	(7,629,465)

General Revenues:	
Property Taxes Levied for:	
General Purposes	2,042,270
Debt Service	644,849
Capital Outlay	32,090
Grants and Entitlements not Restricted to Specific Programs	5,627,459
Investment Earnings	30,354
Miscellaneous	66,651
Total General Revenues	8,443,673
Change in Net Position	814,208
Net Position at Beginning of Year	11,892,629
Net Position at End of Year	$12,706,837

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2021

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	$4,896,095	$1,734,208	$549,237	$7,179,540
Property Taxes Receivable	2,773,179	932,327	44,025	3,749,531
Intergovernmental Receivable	0	0	97,922	97,922
Materials and Supplies Inventory	7,275	0	11,573	18,848
Interfund Receivable	11,756	0	0	11,756
Restricted Assets:				
Cash and Cash Equivalents	30,304	0	0	30,304
Total Assets	$7,718,609	$2,666,535	$702,757	$11,087,901
Liabilities, Deferred Inflows of Resources and Fund Balances:				
Liabilities:				
Accounts Payable	$12,790	$0	$1,313	$14,103
Accrued Wages and Benefits	656,551	0	215,695	872,246
Interfund Payable	0	0	11,756	11,756
Intergovernmental Payable	87,815	0	37,265	125,080
Total Liabilities	757,156	0	266,029	1,023,185
Deferred Inflows of Resources:				
Property Taxes	1,678,587	564,331	26,648	2,269,566
Unavailable Revenue	0	0	38,431	38,431
Total Deferred Inflows of Resources	1,678,587	564,331	65,079	2,307,997
Fund Balances:				
Nonspendable	7,716	0	11,573	19,289
Restricted	29,863	2,102,204	357,888	2,489,955
Committed	127,157	0	0	127,157
Assigned	1,215,314	0	163,505	1,378,819
Unassigned (Deficit)	3,902,816	0	(161,317)	3,741,499
Total Fund Balances	5,282,866	2,102,204	371,649	7,756,719
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$7,718,609	$2,666,535	$702,757	$11,087,901

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2021

Total Governmental Funds Balances		$7,756,719
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		15,893,677
Some of the District's receivables will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. These receivables consist of:		
Property taxes	724,374	
Intergovernmental	38,431	
Total		762,805
Unamortized deferred charges from the issuance of refunding bonds represent deferred charges which do not provide current financial resources and are therefore not reported in the funds.		2,801
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:		
General obligation bonds	(3,605,000)	
Premium on bonds	(118,722)	
Discount on bonds	43,040	
Lease-Purchase Agreement	(455,000)	
Energy efficiency loan	(72,525)	
Accrued interest	(21,045)	
Capital leases	(926)	
Compensated absences	(417,712)	
Total liabilities that are not reported in the funds		(4,647,890)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:		
Deferred Outflows - Pension	1,508,838	
Deferred Outflows - OPEB	214,605	
Deferred Inflows - Pension	(126,852)	
Deferred Inflows - OPEB	(914,299)	
Net OPEB Asset	461,954	
Net Pension Liability	(8,307,482)	
Net OPEB Liability	(660,965)	
Total		(7,824,201)
An internal service fund is used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		762,926
Net Position of Governmental Activities		$12,706,837

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property Taxes	$1,988,205	$625,187	$31,471	$2,644,863
Intergovernmental	5,995,927	125,505	2,131,513	8,252,945
Interest	30,044	0	310	30,354
Tuition and Fees	521,515	0	0	521,515
Extracurricular Activities	747	0	50,140	50,887
Gifts and Donations	6,051	0	57,627	63,678
Customer Sales and Services	0	0	1,951	1,951
Miscellaneous	61,154	0	5,497	66,651
Total Revenues	8,603,643	750,692	2,278,509	11,632,844
Expenditures:				
Current:				
Instruction:				
Regular	2,832,995	0	536,227	3,369,222
Special	929,392	0	294,315	1,223,707
Vocational	151,556	0	0	151,556
Student Intervention Services	0	0	771	771
Other	734,027	0	197,903	931,930
Support Services:				
Pupils	411,052	0	314,489	725,541
Instructional Staff	277,254	0	65,586	342,840
Board of Education	37,075	0	0	37,075
Administration	431,652	0	11,619	443,271
Fiscal	331,612	20,222	3,600	355,434
Operation and Maintenance of Plant	677,066	0	114,792	791,858
Pupil Transportation	509,986	0	83,143	593,129
Central	163,551	0	49,440	212,991
Operation of Non-Instructional Services:				
Food Service Operations	381	0	477,308	477,689
Extracurricular Activities	157,013	0	48,666	205,679
Capital Outlay	0	0	198,529	198,529
Debt Service:				
Principal Retirement	59,911	405,000	920	465,831
Interest and Fiscal Charges	17,380	40,983	0	58,363
Total Expenditures	7,721,903	466,205	2,397,308	10,585,416
Excess of Revenues Over (Under) Expenditures	881,740	284,487	(118,799)	1,047,428
Other Financing Sources (Uses):				
Transfers In	0	0	94,297	94,297
Transfers Out	(94,297)	0	0	(94,297)
Total Other Financing Sources (Uses)	(94,297)	0	94,297	0
Net Change in Fund Balances	787,443	284,487	(24,502)	1,047,428
Fund Balances at Beginning of Year	4,495,423	1,817,717	396,151	6,709,291
Fund Balances at End of Year	$5,282,866	$2,102,204	$371,649	$7,756,719

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT

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

For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds		$1,047,428
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 as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		(397,635)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These revenues consist of:		
Property taxes	74,346	
Intergovernmental	16,768	
Total		91,114
Repayment of bonds, loans, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		465,831
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		1,781
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
Amortization of premium on bonds	17,577	
Amortization of discount on bonds	(4,500)	
Amortization of refunding bonds deferred charges	(6,625)	
Compensated absences payable	(36,158)	
Total		(29,706)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred inflows of resources.		611,649
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		(939,261)
An internal service fund is used by management to charge the costs of insurance to individual funds. The net revenue of the internal service fund is reported as governmental activities.		(36,993)
Change in Net Position of Governmental Activities		$814,208

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property Taxes	$2,006,928	$2,022,603	$2,022,603	$0
Intergovernmental	5,649,868	5,995,926	5,995,927	1
Interest	45,000	30,113	30,044	(69)
Tuition and Fees	462,300	521,515	521,515	0
Extracurricular Activities	4,000	747	747	0
Gifts and Donations	4,400	6,051	6,051	0
Miscellaneous	16,550	61,154	61,154	0
Total Revenues	8,189,046	8,638,109	8,638,041	(68)
Expenditures:				
Current:				
Instruction:				
Regular	3,157,180	2,810,539	2,810,539	0
Special	1,066,275	952,550	952,550	0
Vocational	217,584	160,684	160,684	0
Student Intervention Services	13,071	0	0	0
Other	794,691	734,130	734,130	0
Support Services:				
Pupils	482,211	413,170	413,170	0
Instructional Staff	319,331	292,171	292,171	0
Board of Education	51,657	37,083	37,083	0
Administration	490,739	433,068	433,068	0
Fiscal	350,981	326,571	326,571	0
Operation and Maintenance of Plant	928,665	730,512	730,512	0
Pupil Transportation	783,909	518,351	518,351	0
Central	204,090	165,094	165,094	0
Operation of Non-Instructional Services:				
Food Service Operations	3,326	0	0	0
Community Services	3,800	381	381	0
Extracurricular Activities:				
Academic Oriented Activities	63,890	42,733	42,733	0
Sport Oriented Activities	109,583	95,766	95,766	0
School and Public Service Co-Curricular Activities	10,127	6,168	6,168	0
Capital Outlay:				
Site Improvement Services	2,500	0	0	0
Building Improvement Services	50,500	0	0	0
Debt Service:				
Principal Retirement	55,497	55,496	55,496	0
Interest and Fiscal Charges	17,122	17,111	17,111	0
Total Expenditures	9,176,729	7,791,578	7,791,578	0
Excess of Revenues Over (Under) Expenditures	(987,683)	846,531	846,463	(68)
Other Financing Sources (Uses):				
Advances In	26,107	21,107	21,108	1
Advances Out	(5,000)	0	0	0
Proceeds from Sale of Capital Assets	5,000	0	0	0
Refund of Prior Year Expenditures	0	0	0	0
Transfers Out	(153,150)	(94,297)	(94,297)	0
Total Other Financing Sources (Uses)	(127,043)	(73,190)	(73,189)	1
Excess of Revenues Over/ (Under) Expenditures and Other Financing Sources (Uses)	(1,114,726)	773,341	773,274	(67)
Fund Balance at Beginning of Year	3,990,257	3,990,257	3,990,257	0
Fund Balance at End of Year	$2,875,531	$4,763,598	$4,763,531	($67)

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT
Statement of Net Position
Proprietary Fund
June 30, 2021

	Governmental Activities
	Internal Service
Assets:	
Current Assets:	
Cash and Cash Equivalents with Fiscal Agent	$968,828
Total Current Assets	968,828
Liabilities:	
Current Liabilities:	
Claims Payable	205,902
Net Position:	
Unrestricted	$762,926

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT

Statement of Revenues,
Expenses and Change in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2021

	Governmental Activities
	Internal Service
Operating Revenues:	
Charges for Services	$1,625,165
Total Operating Revenues	1,625,165
Operating Expenses:	
Purchased Services	484,847
Claims	1,177,311
Total Operating Expenses	1,662,158
Change in Net Position	(36,993)
Net Position at Beginning of Year	799,919
Net Position at End of Year	$762,926

See accompanying notes to the basic financial statements and accountant's report.

SOUTHERN LOCAL SCHOOL DISTRICT

Statement of Cash Flows

Proprietary Fund

For the Fiscal Year Ended June 30, 2021

	Governmental Activities Internal Service
Increase (Decrease) in Cash and Cash Equivalents:	
Cash Flows from Operating Activities:	
Cash Received from Interfund Charges	$1,625,165
Cash Payments for Goods and Services	(484,847)
Cash Payments for Claims	(1,147,472)
Net Cash from Operating Activities	(7,154)
Net Increase in Cash and Cash Equivalents	(7,154)
Cash and Cash Equivalents at Beginning of Year	975,982
Cash and Cash Equivalents at End of Year	$968,828
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:	
Operating Income (Loss)	($36,993)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities:	
Increase in Liabilities:	
Claims Payable	29,839
Total Adjustments	29,839
Net Cash from Operating Activities	($7,154)

See accompanying notes to the basic financial statements and accountant's report.

NOTE 1 - DESCRIPTION OF THE DISTRICT AND REPORTING ENTITY

Description of the District

Southern Local District, Meigs County (the District), is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four-year terms. The District provides educational services as authorized by State and/or local guidelines. The District is staffed by 63 certificated employees and 38 classified employees who provide services to 687 students. The District currently operates one elementary school (grades kindergarten to eighth) and one high school (grades ninth to twelfth).

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations included to ensure that the basic financial statements are not misleading. The primary government of the District consists of all funds, departments, boards, and agencies that are not legally separate from the District. For Southern Local District, this includes general operations, food service, and student-related activities.

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; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or 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. The District has no component units.

The District participates in the Metropolitan Educational Technology Association, and the Coalition of Rural and Appalachian Schools, which are defined as jointly governed organizations; the Ohio School Boards Association Workers' Compensation Group Rating Plan, which is defined as insurance purchasing pool; and the Jefferson Health Plan, Self-Insurance Plan, which is defined as a claims servicing pool. These organizations are presented in Notes 21, 22 and 23 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

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

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. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts, or other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District, however, has no business-type activities.

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

Fund Financial Statements

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

B. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions or activities. A fund is a fiscal and accounting entity with a self balancing set of accounts. The District classifies each fund as either governmental or proprietary.

Governmental Funds

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

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

The following are the District's major governmental funds:

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

Bond Retirement Fund – This fund is used to account for financial resources accumulated for the payment of general long-term debt principal, interest and related costs.

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

Proprietary Fund

The proprietary fund focus is on the determination of the change in net position, financial position and cash flows and is classified as internal service. The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The only internal service fund of the District accounts for a self-insurance program which provides medical and prescription drug benefits to employees.

C. Measurement Focus

Government-wide Financial Statements

The government-wide statements are prepared using the economic resources measurement focus. All assets, deferred outflows, liabilities and deferred inflows associated with the operation of the District are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities and deferred inflows 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.

Like the government-wide statements, the proprietary fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the Statement of Net Position. The Statement of Changes in Fund Net Position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The Statement of Cash Flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

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

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. Proprietary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined, and “available” means 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 and grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statements of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide Statement of Net Position for deferred charges on refunding and for pension/OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension/OPEB are explained in Notes 11 and 12.

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

In addition to liabilities, the Statements of Net Position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds Balance Sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide Statement of Net Position. (See Notes 11 and 12).

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

Property taxes for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance year 2022 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as a deferred inflow. Grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at June 30, 2021, are recorded as a deferred inflow in the governmental funds.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as a deferred inflow.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

E. Cash and Cash Equivalents

To improve cash management, cash received by the District is pooled. Monies for all funds except the private purpose trust funds are maintained in this pool. Individual fund integrity is maintained through the District’s records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents”.

During fiscal year 2021, investments were limited to certificates of deposit, which are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2021 amounted to $30,044 which includes $9,408 assigned from other District funds.

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

The District utilizes the Jefferson Health Plan to account for the self-insurance internal service fund. This interest bearing depository account is presented in the financial statements as "cash and cash equivalents with fiscal agents" and represents deposits.

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 presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

F. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food.

G. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. The District was able to estimate the historical cost for the initial reporting of certain assets by back trending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Donated fixed assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of $1,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

Description	Estimated Lives
Land Improvements	50 years
Buildings and Improvements	8 - 75 years
Furniture, Fixtures and Equipment	5 - 50 years
Vehicles	15 - 20 years

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

H. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated unused sick leave for classified and certified employees after seven years of current service with the District.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are reported as "matured compensated absences payable" in the fund from which the employees who will receive the payment are paid.

I. 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, and special termination benefits 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 in the current year. Bonds and other long-term liabilities that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

J. Pensions/OPEB

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

K. Interfund Assets and Liabilities

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

L. Bond Premiums and Discounts

On government-wide financial statements bond discounts and premiums are deferred and amortized over the term of the bonds. Bond premiums are presented as an addition of the face amount of bonds payable.

Bond discounts on the capital appreciation bonds are deferred and accreted over the term of the bonds. Bond discounts are presented as a reduction to the face amount of the bonds.

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

On the governmental fund financial statements, bond premiums, and bond discounts are recognized in the current period.

M. Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources of the Statement of Net Position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their 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. Net position restricted for other purposes include resources restricted for food service operations, athletic and music activities, and federal and state grants restricted to expenditure for specified purposes.

Net position restricted for other purposes are primarily from federal and state grants reported in the Special Revenue Funds. Of the District's $2,816,049 in total restricted net position, none are restricted by enabling legislation.

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

N. Fund Balance Reserves

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent because they are either not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because either (a) constraints imposed by law through constitutional provisions, charter requirements or enabling legislation; or (b) constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal ordinances or resolutions of the Board of Education – the District's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Education removes the specified use by taking the same type of action as when imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The Board of Education, Superintendent and Treasurer have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed.

Unassigned – this is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Education has provided otherwise in its commitment or assignment actions.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the self-insurance service that is the primary activity of that fund. All revenues and expenses not meeting this definition are reported as non-operating.

P. Interfund Transactions

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

Interfund transfers within the governmental activities are eliminated on the governmental-wide statements.

Q. 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. During fiscal year 2021, the District reported no such items in the financial statements.

R. Estimates

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

S. Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level, except for the General Fund which has been established at the object level. The Treasurer maintains budgetary information at the fund, function, and object level and has the authority to allocate appropriations to the function and object level.

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

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement are based on estimates made before the end of the prior fiscal year. The amounts reported as the final budgeted amounts in the budgetary statement reflect the amounts in the amended certificate in effect when final appropriations for the fiscal year were passed.

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

*NOTE 3 - **NEW GASB PRONOUNCEMENTS***

For the fiscal year ended June 30, 2021, the District implemented GASB Statement No. 87, "Leases," GASB Statement No.89, "Accounting for Interest Cost Incurred before the End of a Construction Period," GASB Statement No. 90, "Majority Equity Interests," GASB Statement No. 92, "Omnibus 2020," and GASB Statement No. 93, "Replacement of Interbank Offered Rates." The implementation of GASB Statements Nos. 87, 89, 90, 92 and 93 had no effect on the prior period fund balances of the District.

*NOTE 4 – **BUDGETARY BASIS OF ACCOUNTING***

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed or assigned fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Unreported and prepaid items represent amounts received but not included as revenues on the budget basis operating statements. These amounts are included as revenues on the GAAP basis operating statement.

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING - (Continued)

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

Net Change in Fund Balance	
GAAP Basis	$787,443
Adjustments:	
Revenue Accruals	34,398
Expenditure Accruals	(69,675)
Other Financing Uses	21,108
Budget Basis	$773,274

NOTE 5 – FUND DEFICITS

At June 30, 2021, the following funds had deficit fund balances:

Fund	Deficit
Nonmajor Special Revenue Funds:	
Food Service	$23,176
Early Childhood	12,081
State Grants	10,757
ESSER Grant	85,265
Title I	15,137
Title II-A	2,233
Miscellaneous Federal Grants	1,095

The deficits are the result of the application of generally accepted accounting principles and the requirement to accrue liabilities when incurred. The General Fund is liable for any deficit in these funds and provides transfers to cover deficit fund balances in special revenue funds; however, this is done when cash is needed rather than when accruals occur.

NOTE 6 - 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.

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

3. Written repurchase agreements in the securities listed above;

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

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

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) above;

7. The State Treasurer's investment pool (STAROhio);

8. Commercial paper and bankers acceptances if training requirements have been met; and

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

Deposits with Financial Institutions

Deposits: Custodial credit risk is the risk that, in the event of a bank failure, the District may not be able to recover deposits on collateral securities that are the possession of an outside party. As of June 30, 2021, all of the District's bank balance of $7,415,993 was either covered by Federal Deposit Insurance or collateral was held by the pledging banks trust department not in the District's name.

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

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

NOTE 6 - DEPOSITS AND INVESTMENTS - (Continued)

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

The District's only financial institution is enrolled in the OPCS.

NOTE 7 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District's 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, public utility and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed value listed as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Public utility real and tangible personal property taxes received in calendar year 2021 became a lien December 31, 2019, were levied after April 1, 2020 and are collected in calendar year 2021 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The District receives property taxes from Meigs 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 2021 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property, and 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 yearend. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue. The amount available as an advance at June 30, 2021, was $1,479,965 and is recognized as revenue: $1,094,592 in the General Fund, $17,377 in the Classroom Facilities Fund, and $367,996 in the Bond Retirement Fund.

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

NOTE 7 - 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	$83,363,350	82.50%	$81,998,560	81.95%
Public Utility Personal	17,685,040	17.50%	18,058,440	18.05%
Total Assessed Value	$101,048,390	100.00%	$100,057,000	100.00%
Tax rate per $1,000 of assessed valuation	$28.20		$28.20	

NOTE 8- RECEIVABLES

Receivables at June 30, 2021, consisted of taxes, accounts, interfund, and intergovernmental grants. 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. Except for property taxes, all receivables are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. A summary of principal items of intergovernmental receivables follows:

Governmental Activities:	Amounts
Nonmajor Special Revenue Funds:	
Early Childhood	$21,065
ESSER Grant	600
Title VI-B	26,402
Title I	42,506
Title II-A	5,177
Miscellaneous Federal Grants	2,172
Total Nonmajor Special Revenue Funds	97,922
Total	$97,922

NOTE 9 - CAPITAL ASSETS

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

Asset Category	Balance at July 1, 2020	Additions	Deductions	Balance at June 30, 2021
Nondepreciable Capital Assets:				
Land	$199,100	$0	$0	$199,100
Depreciable Capital Assets:				
Land Improvements	1,724,161	0	0	1,724,161
Buildings and Improvements	22,859,167	0	0	22,859,167
Furniture and Equipment	2,074,336	367,037	(33,835)	2,407,538
Vehicles	934,934	93,732	0	1,028,666
Total Depreciable Capital Assets	27,592,598	460,769	(33,835)	28,019,532
Total Capital Assets	27,791,698	460,769	(33,835)	28,218,632
Accumulated Depreciation:				
Land Improvements	(829,546)	(69,356)	0	(898,902)
Buildings and Improvements	(8,417,538)	(654,056)	0	(9,071,594)
Furniture and Equipment	(1,430,171)	(128,958)	33,835	(1,525,294)
Vehicles	(823,131)	(6,034)	0	(829,165)
Total Accumulated Depreciation	(11,500,386)	(858,404)	33,835	(12,324,955)
Total Net Capital Assets	$16,291,312	($397,635)	$0	$15,893,677

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$526,012
Special	53,504
Vocational	13,082
Other	5,418
Support Services:	
Pupils	31,832
Instructional Staff	32,551
Administration	20,330
Fiscal	9,806
Operations and Maintenance	36,864
Pupil Transportation	50,666
Central	24,771
Operation of Non-Instructional Services	34,064
Extracurricular Activities	19,504
Total Depreciation Expense	$858,404

NOTE 10 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District holds commercial property and liability insurance. The types and amounts of coverage provided by the Reed &Baur (Liberty Mutual Insurance) are as follows:

Description	Amount
Property ($2,500 Deductible):	
Building and Contents - Replacement Cost	$33,474,422
Boiler and Machinery Breakdown	33,474,422
Equipment Inland Marine ($500 Deductible)	
Miscellaneous Equipment	15,353
Miscellaneous School Property - Floater Band Uniforms/Athletic Equipment/	
Musical Equipment/Cameras and Audio Visual/Fine Arts	50,000 each
Signs	10,000
Crime ($500 Deductible):	
Employee Theft Dishonesty	500,000
Forgery of Alteration	500,000
Computer Fraud	500,000
Automobile Liability (Comprehensive $100/Collision $500/Comp/Coll $1,000):	
Bodily Injury and Property Damage Limit - Combined Single Limit	1,000,000
Medical Payments - Each Person	5,000
Uninsured/Underinsured Motorist	1,000,000
General Liability (No Deductible):	
Bodily Injury and Property Damage Limit - Combined Single Limit	1,000,000
Aggregate Limit	2,000,000
Violence Coverage (No Deductible)	
Violence Limit	500,000
Aggregate Limit	500,000
Employee Benefits Liability Each Occurance ($1,000 Deductible)	1,000,000
Aggregate Limit ($1,000 Deductible)	3,000,000
Sexual Misconduct and Molestation Liability Each Occurrence ($5,000 Deductible)	1,000,000
Aggregate Limit ($5,000 Deductible)	1,000,000
Law Enforcement Liability Each Occurance ($1,000 Deductible)	1,000,000
Aggregate Limit ($1,000 Deductible)	1,000,000
Employers' - Stop Gap - Bodily Injury: (No Deductible) Each Occurrence	1,000,000
Aggregate Limit	2,000,000
School Leaders Errors and Omissions Injury Limit Each Occurrence ($5,000 Deductible)	1,000,000
Aggregate Limit ($5,000 Deductible)	1,000,000
Umbrella Each Occurrence	3,000,000
Aggregate Limit ($10,000 Deductible)	3,000,000

***NOTE 10 - RISK MANAGEMENT*- (Continued)**

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

B. Workers' Compensation

For fiscal year 2021, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 22). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating Districts is calculated as one experience and a common premium rate is applied to all Districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to Districts that can meet the GRP's selection criteria. The firm of Sedgwick, Inc. provides administrative, cost control and actuarial services to the GRP.

***C.* Medical/Surgical and Prescription Drug Insurances**

Medical/surgical and prescription drug insurance is offered through a self-insurance internal service fund. The District pays 90% of the monthly insurance premium for either family or single coverage. The employee shall pay 10% of the monthly insurance premium. The District is a member of a claims servicing pool in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the District's behalf. The District's stop loss amount per person is $50,000 for fiscal year 2021. The claims liability of $205,902 reported in the internal service fund at June 30, 2021, is based on an estimate provided by the third-party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by the incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount in 2021 were:

Fiscal Year	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2020	$189,441	$865,193	$878,571	$176,063
2021	176,063	1,177,311	1,147,472	205,902

NOTE 11 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

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 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Age and service requirements for retirement are as follows:

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

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

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

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

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

The District's contractually required contribution to SERS was $169,704 for fiscal year 2021. Of this amount, $0 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective August 1, 2017 – July 1, 2019, any member could retire with reduced benefits who had (1) five years of service credit and age 60; (2) 27 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Effective August 1, 2019 – July 1, 2021, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 28 years of service credit and age 55; or (3) 30 years of service credit regardless of age. Eligibility changes will continue to be phased through August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory employer rate is 14 percent and the statutory member rate is 14 percent of covered payroll. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The 2021 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was $421,647 for fiscal year 2021. Of this amount, $79,496 is reported as an intergovernmental payable.

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.02944420%	0.02628478%	
Prior Measurement Date	0.02934880%	0.02563229%	
Change in Proportionate Share	0.00009540%	0.00065249%	
Proportionate Share of the Net Pension Liability	$1,947,501	$6,359,981	$8,307,482
Pension Expense	$204,999	$770,908	$975,907

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

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	$3,782	$14,270	$18,052
Net Difference between Projected and Actual Earnings on Pension Plan Investments	123,624	309,288	432,912
Changes of Assumptions	0	341,409	341,409
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	14,990	110,124	125,114
Contributions Subsequent to the Measurement Date	169,704	421,647	591,351
Total Deferred Outflows of Resources	$312,100	$1,196,738	$1,508,838
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$0	$40,668	$40,668
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	1,390	84,794	86,184
Total Deferred Inflows of Resources	$1,390	$125,462	$126,852

$591,351 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	$7,905	$188,282	$196,187
2023	42,867	105,200	148,067
2024	51,529	188,160	239,689
2025	38,705	167,987	206,692
	$141,006	$649,629	$790,635

Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2130.

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

The long-term return expectation for the investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target asset 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 Stocks	22.50	5.75
Non-US Stocks	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	100.00 %	

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate Total pension liability was calculated using the discount rate of 7.50 percent. The discount rate determination does not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 24-year amortization period of the unfunded actuarial accrued liability. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the 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 District's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's Proportionate Share of the Net Pension Liability	$2,667,839	$1,947,501	$1,343,124

Actuarial Assumptions - STRS

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

Inflation	2.50 percent
Acturial Cost Method	Entry Age Normal (Level Percent of Payroll)
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments	0.00 percent

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

The actuarial assumptions used in the June 30, 2020 valuation, were based on the results of the latest available actuarial experience study, which is for the period July 1, 2011, through June 30, 2016.

NOTE 11 - DEFINED BENEFIT PENSION 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 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 %	

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's Proportionate Share of the Net Pension Liability	$9,055,506	$6,359,981	$4,075,749

Social Security System

Effective July 1, 1991, all employees not otherwise covered by School Employees Retirement System or State Teachers Retirement System have an option to choose Social Security. The District's liability is 6.2 percent of wages paid.

NOTE 12 - DEFINED BENEFIT OPEB PLANS

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

Plan Description - School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2021, SERS did not allocate any employer contributions to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was $23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the District's surcharge obligation was $20,298, which is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements were 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 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

The net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The 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:			
Current Measurement Date	0.03041260%	0.02628478%	
Prior Measurement Date	0.02996910%	0.02563229%	
Change in Proportionate Share	0.00044350%	0.00065249%	
Proportionate Share of the Net OPEB Liability/(Asset)	$660,965	($461,954)	$199,011
OPEB Expense (Gain)	($7,551)	($29,095)	($36,646)

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

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	$8,680	$29,598	$38,278
Net Difference between Projected and Actual Investment on OPEB Investments	7,446	16,187	23,633
Changes of Assumptions	112,670	7,626	120,296
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	11,189	911	12,100
District Contributions Subsequent to the Measurement Date	20,298	0	20,298
Total Deferred Outflows of Resources	$160,283	$54,322	$214,605
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$336,147	$92,015	$428,162
Changes of Assumptions	16,649	438,782	455,431
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	22,925	7,781	30,706
Total Deferred Inflows of Resources	$375,721	$538,578	$914,299

$20,298 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 in the fiscal year ending June 30, 2021. 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	($49,705)	($120,928)	($170,633)
2023	(49,169)	(109,969)	(159,138)
2024	(49,257)	(106,128)	(155,385)
2025	(44,772)	(103,753)	(148,525)
2026	(31,873)	(21,308)	(53,181)
Thereafter	(10,960)	(22,170)	(33,130)
	($235,736)	($484,256)	($719,992)

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.

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

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

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

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

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

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

NOTE 12 - 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 Stocks	22.50	5.75
Non-US Stocks	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset 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 percent. The discount rate used to measure total OPEB liability prior to June 30, 2020 was 3.22 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the plan at the contribution rate of 2.00 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2034. However, since SERS' actuaries indicate the fiduciary net position is projected to be depleted at a future measurement date, the single equivalent interest rate is determined as the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion by the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45 percent, as of June 30, 2020 (i.e., municipal bond rate).

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 and what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.63 percent) and higher (3.63 percent) than the current discount rate (2.63 percent). Also shown is what the net OPEB liability would be based on health care cost trend rates that are one percentage point lower (6.00 percent decreasing to 3.75 percent) and higher (8.00 percent decreasing to 5.75 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's Proportionate Share of the Net OPEB Liability	$809,005	$660,965	$543,274

	1% Decrease	Current Trend Rate	1% Increase
District's Proportionate Share of the Net OPEB Liability	$520,460	$660,965	$848,857

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions – STRS

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

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

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected 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 %	

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

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

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

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

	1% Decrease	Current Discount Rate	1% Increase
District's Proportionate Share of the Net OPEB Asset	($401,931)	($461,954)	($512,883)

	1% Decrease	Current Trend Rate	1% Increase
District's Proportionate Share of the Net OPEB Asset	($509,722)	($461,954)	($403,767)

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

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

Net Pension Liability/Net OPEB Liability (Asset)

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

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

Ohio Revised Code limits the 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.

NOTE 13 – EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn (10 to 25) ten to twenty-five days of vacation per fiscal year, depending upon length of service. Classified employees are permitted to carry over a maximum of (5) five unused vacation days per twelve months to a maximum of (20) twenty accumulated unused vacation days total. Accumulated, unused vacation time is paid to classified employees and administrators per negotiated agreement and contract language upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of (1.25) one and one-fourth days per month. Sick leave may be accumulated up to a maximum of (260) two hundred sixty days for all personnel.

Upon retirement, classified personnel receive twenty-five percent of the number of unused days of sick leave accumulated not to exceed (40) forty days for employees with (10) ten years or less of service, twenty-five percent of the number of unused days of sick leave accumulated not to exceed (50) fifty days for employees with over (10) ten years but less than (20) twenty years of service, and twenty-five percent of the number of unused days of sick leave accumulated not to exceed (60) sixty days for over 20 years of service.

Upon retirement, certified personnel receive twenty-five percent of the number of unused days of sick leave accumulated to a maximum of (45) forty-five days having (10) ten years or less service, twenty-five percent of the number of unused days of sick leave accumulated to a maximum of (60) sixty days having over (10) ten years but less than (20) twenty years of service, twenty-seven percent of the number of unused days of sick leave accumulated to a maximum of (70) seventy days having over (20) twenty years of service but less than (30) thirty, and thirty percent of the number of unused days of sick leave accumulated to a maximum of (80) eighty days having over (30) thirty years or more of service.

B. Insurance

The District provides health, dental, and life insurance to most employees. It provides term life insurance through Metropolitan Educational Council-American United Life Insurance Company, dental insurance coverage through SEOVEC Dental Consortium-Delta Dental, vision insurance through Vision Service Plan, and health/prescription plan through The Jefferson Health Plan-Anthem. The cost of premiums for the coverage is $556.20 ($46.35) month for dental, and $147.72 ($11.90 month) family and $65.28 ($5.44 month) single for vision, $0.10 per $1,000.00 ($3.80 month) for Life, and for 20/40/60 (Medical/RX) health $11,404,.80 ($950.40 month) for single and $25,303.97 ($2,108.66 month) for family, and for HDHP (Medical/RX) health $9,959.54 ($829.96 month) for single and $22,097.23 ($1,841.44 month) for family.

NOTE 14 - LONG-TERM OBLIGATIONS

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

	Principal Outstanding at July 1, 2020	Additions	Deductions	Principal Outstanding at June 30, 2021	Amount Due In One Year
Governmental Activities:					
2009 Classroom Facilities					
Refunding Bonds 2.00 - 4.00%	$540,000	$0	$265,000	$275,000	$275,000
Discount in Term Bonds	(3,070)	0	(2,159)	(911)	0
Premiums on Term Bonds	15,988	0	11,245	4,743	0
Recovery Zone Economic Development Bonds 7.10%	1,820,000	0	0	1,820,000	0
Qualified School Construction Bonds 6.60%	1,650,000	0	140,000	1,510,000	145,000
Discount in Serial Bonds	(44,470)	0	(2,341)	(42,129)	0
Premiums on Serial Bonds	120,311	0	6,332	113,979	0
Energy Efficiency Loan	83,021	0	10,496	72,525	11,240
Total General Obligation Bonds	4,181,780	0	428,573	3,753,207	431,240
Net Pension Liability:					
STRS	5,668,427	691,554	0	6,359,981	0
SERS	1,755,990	191,511	0	1,947,501	0
Total Net Pension Liability	7,424,417	883,065	0	8,307,482	0
Net OPEB Liability:					
SERS	753,660	0	92,695	660,965	0
Total Net Pension Liability	753,660	0	92,695	660,965	0
Capital Lease Payable	6,261	0	5,335	926	926
Lease-Purchase Agreement	500,000	0	45,000	455,000	45,000
Compensated Absences	381,554	189,695	153,537	417,712	25,123
Total Governmental Activities Long-Term Liabilities	$13,247,672	$1,072,760	$725,140	$13,595,292	$502,289

On July 20, 2009, the District issued $2,670,000 of general obligation refunding bonds to refund $2,670,000 of outstanding 1998 Classroom Facilities Construction and Improvements Bonds. The bonds were issued for over a 12 year period with final maturity at December 1, 2021. The bond issue included term and capital appreciation bonds in the amounts of $2,595,000 and $75,000, respectively. At the date of refunding, $2,751,938 (including premium and after underwriting fees, and other issuance costs) was deposited in an irrevocable trust to provide for all future debt service payments on the refunded bonds. The bond holders were paid on August 25, 2009; therefore, no amounts remain in the trust.

These refunding bonds were issued with a discount of $26,700 which is reported as a decrease to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight- line method; the amortization of the discount for fiscal year 2021 was $2,159. These refunding bonds were also issued with a premium of $139,066 which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method; the amortization of the premium for fiscal year 2021 was $11,245. The issuance costs were $27,347. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of $81,938. This difference, reported in the accompanying financial statements as a decrease to bonds payable is being amortized to interest expense over the life of the bonds using the straight-line method. The amortization of this difference for fiscal year 2021 was $6,625.

NOTE 14 - LONG-TERM OBLIGATIONS- (Continued)

The 2009 bond issue consists of term and capital appreciation bonds. These bonds are not subject to early redemption. Principal and interest requirements to retire the refunding bonds are as follows:

Term Bonds			
Fiscal Year Ending June 30	Principal	Interest	Total
2022	$275,000	$5,500	$280,500
Totals	$275,000	$5,500	$280,500

School Facilities Improvement Bonds – On November 16, 2010, the District issued serial bonds, capital appreciation bonds, recovery zone economic development bonds, and qualified school construction bonds for the purpose of constructing school facilities (in particular a new high school) under the Ohio School Facilities Commission Classroom Facilities Assistance Program; renovating, improving, and constructing additions to existing school facilities, including improvements to school technology; furnishing and equipping the same and landscaping and improving the sites thereof. The bonds will be repaid from the Bond Retirement Debt Service Fund from a levy approved by the voters of the District at an election held on August 3, 2010.

As part of the issue, $1,820,000 in Recovery Zone Economic Development Bonds (RZEDs) (Series 2010B Current Interest Term Bonds) and $2,000,000 in Qualified School Construction Bonds (QSCBs) (Series 2010C Current Interest Term Bonds) were issued in accordance with the American Recovery and Reinvestment Act of 2009 (ARRA). The District has elected to treat the Series 2010B Bonds as "build America bonds" under Section 54AA(d) of the Code and has designated them as "recovery zone economic developments bonds" under Section 1400U-2(b) of the Code in order to receive the Series 2010B Direct Payments from the Treasury. The District has designated the Series 2010C Bonds as Qualified School Construction Bonds under Section 54F of the Code and has irrevocably elected under Section 643(f) of the Code to receive the Direct Payments from the Treasury. Holders of these bonds will not be entitled to receive any tax credits with respect thereto.

The principal (sinking fund deposits) and interest requirements to maturity for the RZEDs are as follows:

Recovery Zone Economic Development Bonds				
Fiscal Year Ending June 30	Principal	Interest	Subsidy	Total
2022	$0	$129,220	($58,149)	$71,071
2023	0	129,220	(58,149)	71,071
2024	0	129,220	(58,149)	71,071
2025	0	129,220	(58,149)	71,071
2026	0	129,220	(58,149)	71,071
2027-2031	170,000	640,065	(288,030)	522,035
2032-2036	1,005,000	416,593	(187,467)	1,234,126
2037-2040	645,000	62,657	(28,196)	679,461
Totals	$1,820,000	$1,765,415	($794,438)	$2,790,977

NOTE 14 - LONG-TERM OBLIGATIONS- (Continued)

The principal (sinking fund deposits) and interest requirements to maturity for the QSCBs are as follows:

Qualified School Construction Bonds				
Fiscal Year Ending June 30	Principal	Interest	Subsidy	Total
2022	$145,000	$94,875	($79,925)	$159,950
2023	150,000	85,140	(71,724)	163,416
2024	160,000	74,910	(63,106)	171,804
2025	160,000	64,350	(54,210)	170,140
2026	165,000	53,625	(45,175)	173,450
2027-2030	730,000	98,010	(82,566)	745,444
Totals	$1,510,000	$470,910	($396,706)	$1,584,204

The Series 2010B Current Interest Term Bonds matured on December 1, 2038, are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year (December 1)	Principal Amount to be Redeened
2030	$170,000
2031	175,000
2032	190,000
2033	200,000
2034	210,000
2035	230,000
2036	240,000
2037	250,000
Total	$1,665,000

The remaining principal amount of $155,000 will be paid at stated maturity on December 1, 2038.

NOTE 14 - LONG-TERM OBLIGATIONS- (Continued)

The Series 2010C Current Interest Term Bonds matured on December 1, 2029, are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

Year (December 1)	Principal Amount to be Redeened
2022	$145,000
2023	150,000
2024	160,000
2025	160,000
2026	165,000
2027	175,000
2028	180,000
2029	185,000
Total	$1,320,000

The remaining principal amount of $190,000 will be paid at stated maturity on December 1, 2029.

The Current Interest Bonds maturing after December 1, 2021, are subject to redemption at the option of the District, either in whole or in part, in such order of maturity as the District shall determine, on any date on or after December 1, 2021, at a redemption price equal to 100% of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

As part of the ARRA act of 2009, issuers of these bonds are eligible to receive direct payments from the federal government which offset interest payments on the bonds. As an alternate, bonds may be issued as tax credit bonds under which bond holders receive federal tax credits in lieu of interest as a means to significantly reduce the issuer's interest cost. The District, under agreement with the federal government, has chosen to receive a forty-five percent semi-annual direct payment from the federal government to help offset interest expense on the Recovery Zone Economic Development Bonds. Direct payments for the Qualified School Construction Bonds are equal to the applicable credit rate (5.56%) determined under Section 54A (b) (3) of the Code.

The bonds are subject to extraordinary optional redemption at the option of the District, either in whole or in part, in such order of maturity as the District shall determine on any date at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the date fixed for redemption, in the event that the direct payments from the federal government cease or are in an amount less than 45 percent of the corresponding interest payable on the Series 2010B Bonds.

To the extent that less than 100% of the available project proceeds of the Series 2010C Bonds are expended for qualified purposes by November 30, 2014, (or if an extension of such expenditure period has been received by the District from the Secretary of the Treasury or the IRS, by the close of the extended period), the District shall be required to redeem the nonqualified Series 2010C Bonds within 90 days after the end of such period. Redemption of the nonqualified Series 2010C Bonds shall be at a price equal to the sum of the principal amount being redeemed plus accrued interest thereon to the redemption date.

NOTE 14 - LONG-TERM OBLIGATIONS- (Continued)

Also as part of the total bond issuance, $5,000 in current interest, tax-exempt serial bonds and $124,996 in capital appreciation bonds were issued. These bonds were fully retired during fiscal year 2018. The capital appreciation bonds for this issue mature December 1, 2013, 2014, 2015, 2016, and 2017. These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as a liability. The maturity amount of outstanding capital appreciation bonds was $525,000.

As part of the entire debt issuance, the District, pursuant to Section 3317.18, Ohio Revised Code, and Section 3301-8-01, Ohio Administrative Code, participated in the Ohio Credit Enhancement Program, and was assigned a long-term rating of AA from Standard & Poor's for the bond issuance. In the event the District is unable to make sufficient debt service payments and the payment will not be made by a credit enhancement facility, the department of education will make the sufficient payment.

Energy Efficiency Service Agreement - The District entered into an agreement with Energy, USA to provide services and work designed to improve the facilities. The District paid 50 percent at the start of the project and financed the remaining 50 percent, $114,583 for 120 months.

The principal and interest requirement to retire the energy efficiency loan is as follows:

Energy Efficiency Loan			
Fiscal Year Ending June 30	Principal	Interest	Total
2022	$11,240	$4,630	$15,870
2023	12,036	3,833	15,869
2024	12,889	2,981	15,870
2025	13,802	2,067	15,869
2026	14,780	1,089	15,869
2027-2030	7,778	156	7,934
Totals	$72,525	$14,756	$87,281

Sick leave benefits will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund and Food Service, Title VIB, and Title I Special Revenue Funds.

The District's overall debt margin was $5,324,448 with an unvoted debt margin of $100,057 at June 30, 2021.

NOTE 15 – OTHER LONG-TERM OBLIGATIONS

	Issue Date	Interest Rate	Principal Outstanding at July 1, 2020	Additions	Deductions	Principal Outstanding at June 30, 2021	Amount Due In One Year
Governmental Activities:							
Lease-Purchase Agreement	2020	2.46%	500,000	0	45,000	455,000	45,000
Total Governmental Activities							
Other Long-Term Obligations			$500,000	$0	$45,000	$455,000	$45,000

Changes in the other long-term obligations of the District during the 2021 fiscal year were as follows:

In May 2020, Southern Local District entered into a lease-purchase financing agreement with Zions Bancorporation, N.A.. The two party agreement entered into a contract to lease the property to the District, including existing and new improvements made to the property. To facilitate the building improvements to the property called for within the agreement, the District received $500,000 from Zions Bancorporation, N.A. to provide the financing for the installation of a complete new heating/cooling system for the entire campus. Upon final payment of all scheduled lease payments, ownership reverts back to the District.

Principal and interest components of the schedules lease purchase agreement payments outstanding at June 30, 2021 are shown below.

Year Ending	Lease-Purchase Agreement	
June 30	Principal	Interest
2022	$45,000	$10,640
2023	45,000	9,532
2024	50,000	8,364
2025	50,000	7,134
2026	50,000	5,904
2027-2030	215,000	10,763
Totals	$455,000	$52,337

NOTE 16 - CAPITAL LEASES - LESSEE DISCLOSURE

The District entered into a capital lease for nine copiers in the amount of $20,202. These lease obligations meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 62, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the fund financial statements. Principal payments in fiscal year 2021 totaled $5,335 in the governmental funds.

NOTE 16 - CAPITAL LEASES - LESSEE DISCLOSURE - (Continued)

The following is a schedule of the future minimum lease payments and the present value of the minimum lease payments as of June 30, 2021:

Fiscal Year Ending June 30,	Governmental Activities Capital Lease
2022	$934
Less: amount representing interest	(8)
Present value of minimum lease payments	$926

NOTE 17 – INTERFUND TRANSFERS AND BALANCE

Transfers made during fiscal year 2021 were as follows:

	Transfer In	Transfer Out
General	$0	$94,297
Nonmajor Funds:		
Food Service	44,297	0
Permanent Improvement	50,000	0
Total Non-Major Funds	94,297	0
Total	$94,297	$94,297

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, and (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Unpaid interfund cash advances at June 30, 2021, were as follows:

	Receivable	Payable
General	$11,756	$0
Nonmajor Special Revenue Funds:		
State Grants	0	10,757
Title VI-B	0	370
Miscellaneous Federal Grants	0	629
Total Non-Major Funds	0	11,756
Total	$11,756	$11,756

NOTE 17 – INTERFUND TRANSFERS AND BALANCE – (Continued)

All balances are scheduled to be collected in the subsequent year. All balances resulted from the time between the dates that (1) interfund goods and services are provided, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The balance of $11,756 due to the General Fund from the funds listed is a result of advances made to these funds by the General Fund, which were not repaid as of June 30, 2021.

NOTE 18 – FUND BALANCES

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

As of June 30, 2021, fund balances are composed of the following:

	General	Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:				
Unclaimed Monies	$441	$0	$0	$441
Materials and Supplies	7,275	0	11,573	18,848
Total Nonspendable	7,716	0	11,573	19,289
Restricted:				
Athletic Programs	0	0	50,943	50,943
Facilities Maintenance	0	0	89,818	89,818
Student Activities	0	0	23,104	23,104
Local Grants	0	0	33,174	33,174
State Grants	0	0	155,250	155,250
Federal Grants	0	0	5,599	5,599
Debt Service	0	2,102,204	0	2,102,204
Set Asides	29,863	0	0	29,863
Total Restricted	29,863	2,102,204	357,888	2,489,955
Committed:				
Termination Benefits	127,157	0	0	127,157
Total Committed	127,157	0	0	127,157
Assigned:				
Encumbrances:				
Instruction	1,919	0	0	1,919
Support Services	57,114	0	0	57,114
Capital Improvements	0	0	163,505	163,505
Future Appropriations	1,156,281	0	0	1,156,281
Total Assigned	1,215,314	0	163,505	1,378,819
Unassigned (Deficit)	3,902,816	0	(161,317)	3,741,499
Total Fund Balance	$5,282,866	$2,102,204	$371,649	$7,756,719

NOTE 19- STATUTORY SET-ASIDES

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

The following changes occurred in the District's set-aside reserve accounts during fiscal year 2021:

	Capital Improvements
Set Aside Balance June 30, 2020	$0
Current Year Set Aside Requirement	123,595
Current Year Qualifying Disbursements	(93,732)
Total	29,863
Set Aside Reserved Balance as of June 30, 2021	$29,863
Total Restricted Assets	$29,863

NOTE 20 – ENCUMBRANCE COMMITMENTS

At June 30, 2021, the District had encumbrance commitments in the Governmental Funds as follows:

Fund	
General	$59,033
Nonmajor Funds:	
Facility Maintenance	4,190
Local Grants	9,410
Total Nonmajor Funds	13,600
Total Encumbrances	$72,633

NOTE 21 – JOINTLY GOVERNED ORGANIZATIONS

A. Metropolitan Educational Technology Association (META)

Meta Solutions is a jointly governed organization as a regional council of governments pursuant to State statutes. Meta Solutions develops, implements, and supports the technology and instructional needs of member districts including financial accounting services, educational management information services, and cooperative purchasing services. Meta Solutions membership consists of 149 public schools, 13 educational service centers, 13 career technology centers, and more than 140 non-public chartered schools. Non-public charter schools are not members but receive services based on contractual agreements and are not eligible for seats on the board of directors. Each member district pays an annual fee for services provided by Meta Solutions Meta Solutions is governed by a 13-member board of directors made up of Superintendents and School Business Officials selected from the 175 member public Districts. The board of directors controls the budget and finances of Meta Solutions. The continued existence of META Solutions is not dependent on the District’s continued participation and no equity interest exists. Financial statements for META Solutions can be obtained from the META Solutions office, 2100 Citygate Drive, Columbus, Ohio 43219.

NOTE 21 – JOINTLY GOVERNED ORGANIZATIONS - (Continued)

B. Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools is a jointly governed organization composed of 134 Districts and other educational institutions in the 35-county region of Ohio designated as Appalachia. The Coalition is operated by a Board which is composed of seventeen members. One elected and one appointed from each of the seven regions into which the 35 Appalachian counties are divided; and three from Ohio University College of Education. The Coalition provides various in-service training programs for District administrative personnel; gathers data regarding the level of education provided to children in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for District personnel. The Coalition is not dependent on the continued participation of the District and the District does not maintain an equity interest in or financial responsibility for the Coalition. The District's membership fee was $0 for fiscal year 2021. The financial information for the Coalition of Rural and Appalachian Schools can be obtained from the Executive Director at McCraken Hall, Ohio University, Athens, Ohio 45701.

NOTE 22 –INSURANCE PUCHASING POOL

Ohio School Boards Association Workers' Compensation Group Rating Plan

The District participates in a workers' compensation program jointly sponsored by the Ohio Association of School Business Officials (OASBO) and the Ohio School Board Association (OSBA), known as Sedgwick, is the program's third party administrator. Sedgwick serves to group its members' risks for the purpose of obtaining a favorable experience rating to determine its premium liability to the Ohio Bureau of Workers' Compensation (OBWC) and the Ohio Workers' Compensation Fund. This may be accomplished through participation in a group rating program or through group retrospective rating. The District has chosen to participate in the group rating program for 2021. Participation in Sedgwick is restricted to members who meet enrollment criteria and are jointly in good standing with OASBO and OSBA. OASBO and OSBA are certified sponsors recognized by OBWC. Each year, the participating Districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 23 - CLAIMS SERVICING POOL

The District participates in the Jefferson Health Plan, a claims servicing pool composed of over 250 public employer member organizations. The Plan's business and affairs are conducted by a nine member Board of Directors elected by plan members. The member pays a monthly premium based on their claims history and a monthly administration fee. All participating members retain their risk. The Plan acts solely as the claims servicing agent.

NOTE 24 - CONTINGENCIES

A. Grants

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

NOTE 24 – CONTINGENCIES - (Continued)

B. Litigation

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

C. School Foundation

School foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, all of the FTE adjustments from ODE have been finalized for the fiscal year ended June 30, 2021. The School District has a receivable of $12,996. Management does not believe these adjustments will have a material effect on the District's financial statements; therefore, this amount has not been included in the financial statements.

NOTE 25 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency continues. During fiscal year 2021, the School District received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. Additional funding has been made available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

NOTE 26 - SUBSEQUENT EVENTS

For fiscal year 2022, school district foundation funding received from the State of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school 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 School District were funded to the School District who, in turn, made the payment to the respective school. For fiscal year 2021, the School District reported $154,636 in revenues and expenditures/expenses related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each school district. The School District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

SOUTHERN LOCAL SCHOOL DISTRICT

Schedule of the District's Proportionate Share of Net Pension Liability
Last Eight Measurement Periods (1)

	2021	2020	2019
School Employees Retirement System of Ohio			
District's Proportion of the Net Pension Liability	0.02944420%	0.02934880%	0.02969730%
District's Proportionate Share of the Net Pension Liability	$1,947,501	$1,755,990	$1,700,819
District's Covered Payroll	$1,166,400	$1,132,286	$1,102,457
District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	166.97%	155.08%	154.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%	70.85%	71.36%
State Teachers Retirement System of Ohio			
District's Proportion of the Net Pension Liability	0.02628478%	0.02563229%	0.02603871%
District's Proportionate Share of the Net Pension Liability	$6,359,981	$5,668,427	$5,725,328
District's Covered Payroll	$3,199,371	$3,052,836	$3,001,271
District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	198.79%	185.68%	190.76%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.48%	77.40%	77.31%

(1) Information prior to 2013 is not available.

Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014
0.03103950%	0.0321140%	0.0331220%	0.0332850%	0.033285%
$1,854,542	$2,350,470	$1,889,956	$1,684,535	$1,979,352
$1,001,457	$997,136	$1,428,710	$947,355	$931,376
185.18%	235.72%	132.28%	177.81%	212.52%
69.50%	62.98%	69.16%	71.70%	65.52%
0.02628406%	0.02671891%	0.02335092%	0.02665700%	0.026657%
$6,243,835	$8,943,625	$7,293,577	$6,483,589	$7,723,585
$2,872,457	$2,780,579	$3,015,943	$2,763,623	$2,797,367
217.37%	321.65%	241.83%	234.60%	276.10%
75.30%	66.80%	72.10%	74.70%	69.30%

SOUTHERN LOCAL SCHOOL DISTRICT

Schedule of the District's Proportionate Share of Net OPEB Liablity/Asset

Last Five measurement periods (1)

	2021	2020	2019
School Employees Retirement System of Ohio			
District's Proportion of the Net OPEB Liability	0.03041260%	0.02996910%	0.03004560%
District's Proportionate Share of the Net OPEB Liability	$660,965	$753,660	$833,546
District's Covered-Employee Payroll	$1,166,400	$1,132,286	$1,102,457
District's Proportionate Share of the Net OPEB Liability as a Percentage of it's Covered-Employee Payroll	56.67%	66.56%	75.61%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.17%	15.37%	13.57%
State Teachers Retirement System of Ohio			
District's Proportion of the Net OPEB Liability	0.02628478%	0.02563229%	0.02603871%
District's Proportionate Share of the Net OPEB Asset	$461,954	$424,532	$418,416
District's Proportionate Share of the Net OPEB Liability	$0	$0	$0
District's Covered-Employee Payroll	$3,199,371	$3,052,836	$3,001,271
District's Proportionate Share of the Net OPEB Liability as a Percentage of it's Covered-Employee Payroll	(14.44%)	(13.91%)	(13.94%)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	182.13%	174.74%	176.00%

(1) Information prior to 2016 is not available.

Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2018	2017
0.03143780%	0.03143780%
$843,708	$896,094
$1,001,457	$997,136
84.25%	89.87%
12.46%	11.49%
0.02628406%	0.02628406%
$0	$0
$1,025,507	$1,405,678
$2,872,457	$2,780,579
35.70%	50.55%
47.10%	37.30%

SOUTHERN LOCAL SCHOOL DISTRICT

Schedule of the District's Contributions
School Employees Retirement Systems of Ohio
Last Nine Fiscal Years (1)

	2021	2020	2019
Pension			
Contractually Required Contributions	$169,704	$163,296	$152,859
Contributions in Relation to the Contractually Required Contributions	(169,704)	(163,296)	(152,859)
Contribution Deficiency (Excess)	$0	$0	$0
District Covered-Employee Payroll	$1,212,171	$1,166,400	$1,132,286
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	13.50%
OPEB			
Contractually Required Contributions (2)	$0	$0	$23,499
Contributions in Relation to the Contractually Required Contributions	0	0	(23,499)
Contribution Deficiency (Excess)	$0	$0	$0
District Covered-Employee Payroll	$1,212,171	$1,166,400	$1,132,286
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	2.08%

(1) Information prior to 2013 is not available.
(2) Excludes surcharge amount.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014	2013
$148,832	$140,204	$139,599	$188,304	$172,657	$174,422
(148,832)	(140,204)	(139,599)	(188,304)	(172,657)	(174,422)
$0	$0	$0	$0	$0	$0
$1,102,457	$1,001,457	$997,136	$1,428,710	$1,684,538	$1,979,352
13.50%	14.00%	14.00%	13.18%	10.25%	13.84%
$5,512	$0	$0	$11,715	$2,358	$3,167
(5,512)	0	0	(11,715)	(2,358)	(3,167)
$0	$0	$0	$0	$0	$0
$1,102,457	$1,001,457	$997,136	$1,428,710	$1,684,538	$1,979,352
0.50%	0.00%	0.00%	0.82%	0.14%	0.16%

SOUTHERN LOCAL SCHOOL DISTRICT

Schedule of the District's Contributions
State Teachers Retirement System of Ohio
Last Nine Fiscal Years (1)

	2021	2020	2019
Pension			
Contractually Required Contributions	$421,647	$447,912	$427,397
Contributions in Relation to the Contractually Required Contributions	(421,647)	(447,912)	(427,397)
Contribution Deficiency (Excess)	$0	$0	$0
District Covered-Employee Payroll	$3,011,764	$3,199,371	$3,052,836
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%
OPEB			
Contractually Required Contributions	$0	$0	$0
Contributions in Relation to the Contractually Required Contributions	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0
District Covered-Employee Payroll	$3,011,764	$3,199,371	$3,052,836
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%

(1) Information prior to 2013 is not available.

See accompanying notes to the required supplementary information.

2018	2017	2016	2015	2014	2013
$420,178	$402,144	$389,281	$422,232	$424,936	$422,253
(420,178)	(402,144)	(389,281)	(422,232)	(424,936)	(422,253)
$0	$0	$0	$0	$0	$0
$3,001,271	$2,872,457	$2,780,579	$3,015,943	$2,763,623	$2,797,367
14.00%	14.00%	14.00%	14.00%	15.38%	15.09%
$0	$0	$0	$0	$27,636	$27,974
0	0	0	0	(27,636)	(27,974)
$0	$0	$0	$0	$0	$0
$3,001,271	$2,872,457	$2,780,579	$3,015,943	$2,763,623	$2,797,367
0.00%	0.00%	0.00%	0.00%	1.00%	1.00%

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions - SERS

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

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

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

Changes in Assumptions – STRS

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

Changes in Benefit Terms - SERS

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

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

Changes in Benefit Terms - STRS

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

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions – SERS

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

Municipal Bond Index Rate:

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

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

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

Pre-Medicare

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

Medicare

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

Changes in Assumptions – STRS

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

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

NOTE 2 - NET OPEB LIABILITY (ASSET) - Continued

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

Changes in Benefit Terms - SERS

There have been no changes to the benefit provisions.

Changes in Benefit Terms – STRS

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

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

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

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. This was subsequently extended, see above paragraph.

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SOUTHERN LOCAL SCHOOL DISTRICT
MEIGS COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR ***Pass Through Grantor*** **Program / Cluster Title**	**Federal CFDA Number**	**Pass Through Entity Identifying Number**	**Total Federal Expenditures**
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education			
Child Nutrition Cluster			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	2021	$25,818
Cash Assistance			
COVID-19 School Breakfast Program	10.553	2020	24,955
School Breakfast Program	10.553	2021	120,162
COVID-19 National School Lunch	10.555	2020	28,653
National School Lunch	10.555	2020	568
National School Lunch	10.555	2021	208,393
Total Cash Assistance			382,731
Total Child Nutrition Cluster			408,549
Total U.S. Department of Agriculture			408,549
U.S. DEPARTMENT OF TREASURY			
Passed Through from Lebanon Township, Meigs County, Ohio			
Coronavirus Relief Fund	21.019	2020	55,026
Passed Through from Foundation for Appalachian Ohio			
Coronavirus Relief Fund	21.019	2021	70,830
Passed Through Ohio Department of Education			
Coronavirus Relief Fund	21.019	2021	62,930
Total Coronavirus Relief Fund			188,786
Total U.S. Department of Treasury			188,786
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education			
Title I:			
Title I Grants to Local Educational Agencies	84.010	2020	31,229
Title I Grants to Local Educational Agencies	84.010	2021	191,888
School Quality Improvement Grant	84.010A	2021	739
Total Title I			223,856
Special Education Cluster:			
Special Education - Grants to States	84.027	2020	20,213
Special Education - Grants to States	84.027	2021	134,194
Total Special Education - Grants to States			154,407
Special Education - Preschool Grant	84.173	2021	4,069
Total Special Education - Preschool Grant			4,069
Total Special Education Cluster			158,476
Rural Education	84.358	2020	2,367
Rural Education	84.358	2021	11,689
Total Rural Education			14,056
Supporting Effective Instruction State Grants	84.367	2020	6,187
Supporting Effective Instruction State Grants	84.367	2021	23,258
Total Supporting Effective Instruction State Grants			29,445
Student Support and Academic Enrichment	84.424	2021	17,726
COVID-19 Education Stabilization Fund	84.425D	2020	66,223
COVID-19 Education Stabilization Fund	84.425D	2021	427,675
Total COVID-19 Education Stabilization Fund			493,898
Total U.S. Department of Education			937,457
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Ohio Department of Job and Family Services			
Child Care and Development Block Grant	93.575	2021	14,467
Total U.S. Department of Health and Human Services			14,467
Total Expenditures of Federal Awards			**$1,549,259**

The accompanying notes are an integral part of this Schedule.

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Southern Local School District, Meigs County (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, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

OHIO AUDITOR OF STATE
KEITH FABER

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

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

Southern Local School District
Meigs County
P.O. Box 147
Racine, Ohio 45771

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, the major fund, and the aggregate remaining fund information of the Southern Local School District, Meigs 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 and have issued our report thereon dated May 13, 2022. We also noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the District.

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 opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the District'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 report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

May 13, 2022

OHIO AUDITOR OF STATE
KEITH FABER

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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

Southern Local School District
Meigs County
P.O. Box 147
Racine, Ohio 45771

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Southern Local School District's, Meigs County, Ohio (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 Southern Local School District's major federal program for the year ended June 30, 2021. The *Summary of Auditor's Results* in the accompanying Schedule of 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 program.

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 Principles, 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, Southern Local 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 the 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 internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

May 13, 2022

SOUTHERN LOCAL SCHOOL DISTRICT
MEIGS COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
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 significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):** • Education Stabilization Fund Assistance Listing #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 AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

OHIO AUDITOR OF STATE
KEITH FABER

SOUTHERN LOCAL SCHOOL DISTRICT

MEIGS 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 5/31/2022

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