OHIO AUDITOR OF STATE
KEITH FABER

BETHEL-TATE LOCAL SCHOOL DISTRICT
CLERMONT COUNTY
JUNE 30, 2022

TABLE OF CONTENTS

BETHEL-TATE LOCAL SCHOOL DISTRICT
CLERMONT COUNTY
JUNE 30, 2022

TABLE OF CONTENTS
(Continued)

OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Bethel-Tate Local School District
Clermont County
675 West Plane St.
Bethel, Ohio 45106

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Bethel-Tate Local School District, Clermont County, Ohio as of June 30, 2022, and the respective changes in financial position thereof and the respective budgetary comparisons for the General and ESSER funds for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Supplementary information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio
March 21, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The School District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2022 by $3,016,072.

- The School District's net position of governmental activities increased $3,594,515.

- General revenues accounted for $15,749,730 in revenue or 77 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for $4,789,904 or 23 percent of total revenues of $20,539,223.

- The School District had $16,945,119 in expenses; $4,789,904 of these expenses was offset by program specific charges for services and sales, grants, or contributions.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the Bethel-Tate Local School District's financial situation as a whole and also give a detailed view of the School District's financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the School District as a whole and present a longer-term view of the School District's 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 the amount of funds available for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. The major funds of Bethel-Tate Local School District are the General Fund, the Bond Retirement Debt Service Fund, and the Elementary and Secondary School Emergency Relief (ESSER) Special Revenue Fund.

REPORTING THE SCHOOL DISTRICT AS A WHOLE

The analysis of the School District as a whole begins with the Statement of Net Position and the Statement of Activities. These reports provide information that will help the reader to determine whether the School District is financially improving or declining as a result of the year's financial activities. These statements include all assets, liabilities and deferred inflows/outflows of resources using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School District's net position and changes to that position. This change informs the reader whether the School District's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the user of these financial statements needs to take into account non-financial factors that also impact the School District's financial well-being. Some of these factors include the School District's tax base, current property tax laws in Ohio restricting revenue growth, the condition of capital assets, and required educational programs.

In the Statement of Net Position and the Statement of Activities, the School District has only one kind of activity.

- Governmental Activities. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of capital assets, pupil transportation, and extracurricular activities.

REPORTING THE SCHOOL DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The analysis of the School District's major funds begins on page 15. Fund financial statements provide detailed information about the School District's major funds – not the School District as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Treasurer with approval from the Board to help control, manage and report money received for a particular purpose or to show that the School District is meeting legal responsibilities for use of grants. The major funds of the School District are the General Fund, the Bond Retirement Debt Service Fund, and the Elementary and Secondary School Emergency Relief (ESSER) Special Revenue Fund.

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

Fiduciary Funds. Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Custodial funds are used to maintain financial activity of the School District's fiduciary activities that are not required to be reported in a trust fund. In accordance with GASB 34, fiduciary funds are not included in the government-wide statements. The School District's custodial fund accounts for State athletic tournament games, for which the School District acts as fiscal agent.

THE SCHOOL DISTRICT AS A WHOLE

As stated previously, the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position as of 2022 compared to 2021.

Table 1
Net Position
Governmental Activities

	2022	2021
Assets		
Current and Other Assets	$9,175,209	$9,630,818
Net OPEB Asset	1,174,431	1,000,758
Capital Assets, Net	17,635,955	17,054,657
Total Assets	27,985,595	27,686,233
Deferred Outflows of Resources:		
Pensions	3,785,633	3,227,019
OPEB	562,521	617,914
Total Deferred Outflows of Resources	4,348,154	3,844,933
Liabilities		
Current and Other Liabilities	1,807,694	1,708,835
Long-Term Liabilites:		
Due Within One Year	210,921	759,921
Due in More than One Year:		
Net Pension Liabilities	9,568,458	17,960,304
Net OPEB Liabilities	1,280,447	1,416,612
Other Amounts	3,026,220	3,274,667
Total Liabilities	15,893,740	25,120,339
Deferred Inflows of Resources:		
Pensions	7,821,295	461,046
OPEB	2,235,277	2,102,770
Property Taxes not Levied to Finance Current Year Operations	3,367,365	4,425,454
Total Deferred Inflows of Resources	13,423,937	6,989,270
Net Position		
Net Investment in Capital Assets	15,347,955	14,019,657
Restricted	838,783	1,743,488
Unrestricted (Deficit)	(13,170,666)	(16,341,588)
Total Net Position	$3,016,072	($578,443)

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2022 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other post-employment benefits (OPEB) liability (asset) is another significant liability (asset) reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,". For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability (asset) to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

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

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School 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. If 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. If there is a net OPEB asset, it will be reported in the asset section of the statement of net position. In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability (asset), respectively, not accounted for as deferred inflows/outflows.

Total net position of the School District as a whole increased $3,594,515. Capital assets, net increased due to current year additions, which was partially offset by current year depreciation and deletions. Deferred outflows of resources increased due to increased pension activity, which was partially offset by decreased OPEB activity. Current and other liabilities increased primarily due to increases in accounts payable and accrued wages and benefits. Long-term liabilities decreased primarily due to a decrease in the Net Pension Liability, OPEB Liability, and other long term liabilities. Deferred inflows of resources increased primarily due to Pension and OPEB activity.

Table 2 shows the changes in net position for the fiscal year ended June 30, 2022 compared to 2021.

Table 2
Change in Net Position
Governmental Activities

	2022	2021
Revenues		
Program Revenues:		
Charges for Services and Sales	$ 634,702	$ 1,487,564
Operating Grants & Contributions	4,155,202	3,251,458
Total Program Revenues	4,789,904	4,739,022
General Revenues:		
Grants and Entitlements, Not Restricted to Specific Programs	9,452,021	9,185,156
Gifts and Donations, Not Restricted to Specific Programs	38,027	33,895
Investment Earnings	27,931	8,122
Miscellaneous	142,474	392,691
Change in Market Value of Investments	(118,913)	-
Property Taxes	6,208,190	3,718,265
Total General Revenues	15,749,730	13,338,129
Total Revenues	20,539,634	18,077,151
Program Expenses		
Instruction		
Regular	7,189,817	9,637,912
Special	2,797,260	3,064,725
Vocational	779	1,857
Student Intervention Services	54,158	101,241
Other	20,900	129,819
Support Services		
Pupils	1,231,369	1,094,702
Instructional Staff	259,118	240,638
Board of Education	39,367	30,798
Administration	1,212,039	1,452,446
Fiscal	435,751	461,710
Operation and Maintenance of Plant	1,575,348	1,703,448
Pupil Transportation	806,358	824,874
Central	153,169	156,477
Operation of Non-Instructional Services	599,081	527,041
Extracurricular Activities	455,520	368,050
Interest and Fiscal Charges	115,085	133,215
Total Expenses	16,945,119	19,928,953
Increase (Decrease) in Net Position	3,594,515	(1,851,802)
Net Position at Beginning of Year	(578,443)	1,273,359
Net Position at End of Year	$ 3,016,072	$ (578,443)

Charges for Services revenue decreased due to a decrease in tuition receipts in the General fund. The increase in property tax revenue is primarily due to amounts available as an advance. Grants and entitlements not restricted for specific programs increased due to an increase in grant monies received. Investment earnings increased due to interest rates and the investment portfolio held at year end. The decrease in regular and special instruction expenses is due mainly to pension and OPEB expense. Extracurricular expense increased due to an increase in district-managed expenses.

Unrestricted grants and entitlements comprised 46 percent of revenue for governmental activities of the Bethel-Tate Local School District for fiscal year 2022 and represent the largest source of revenue. Property taxes comprised 30 percent of revenue for governmental activities of the School District for fiscal year 2022. Operating grants and contributions and charges for services and sales comprised 20 percent and 3 percent of revenue for governmental activities, respectively, during 2022.

As indicated by governmental program expenses, total instruction is emphasized. Total instruction comprised 59 percent of governmental program expenses with support services comprising 34 percent of governmental expenses. The Board of Education relies on State revenues to support increased student achievement within the School District.

The Statement of Activities shows the cost of program services and the charges for services and sales, and grants and contributions offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Total and Net Cost of Program Services
Governmental Activities

	2022		2021	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	$ 10,062,914	$ 7,236,217	$ 12,935,554	$ 9,925,675
Support Services	5,712,519	5,162,934	5,965,093	5,163,905
Operation of Non-Instructional Services	599,081	(133,412)	527,041	56,129
Extracurricular Activities	455,520	(225,609)	368,050	(50,239)
Interest and Fiscal Charges	115,085	115,085	133,215	94,461
Total Expenses	$ 16,945,119	$ 12,155,215	$ 19,928,953	$ 15,189,931

THE SCHOOL DISTRICT'S FUNDS

Information about the School District's major governmental funds begins on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of $20,436,471 and expenditures and other financing uses of $20,229,919. The net change in fund balance for the year was most significant in the General Fund.

The fund balance of the General Fund increased by $1,368,185. This increase is primarily due to revenues exceeding expenditures during the current year.

The fund balance of the Bond Retirement Fund decreased by $569,094. This decrease was due to the payments for debt within the fund being greater than revenues.

The fund balance of the ESSER Fund decreased by $123,061. This decrease was due to expenditures within the fund being greater than revenues.

General Fund Budgeting Highlights

The School District's budget is adopted at the fund level for all funds except the General Fund. Before the budget is adopted, the Board of Education reviews the detailed information supporting of each activity within the General Fund and then adopts the budget at the function level.

During 2022, there were revisions made to the General Fund budget. In part, the revisions decreased revenues and other financing sources by $451,936 primarily due to decreases in intergovernmental revenues. Actual revenues and other financing sources were above final estimates in the amount of $4,479. The revisions to the General Fund budget increased the appropriations by $551,269. Final budgeted appropriations were higher than the actual expenditures. The School District's ending unobligated cash balance was $2,417,403.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2022, the School District had $17,635,955 invested in its capital assets. Table 4 shows the fiscal year 2022 balances compared to 2021.

Table 4
Capital Assets
(Net of Accumulated Depreciation)
Governmental Activities

	Governmental Activities	
	2022	2021
Land	$ 1,117,851	$ 1,117,851
Library Books	594,334	594,334
Land Improvements	378,536	421,589
Buildings and Improvements	14,997,048	14,387,260
Furniture and Equipment	162,809	68,514
Vehicles	347,010	421,119
Books	30,871	30,871
Infrastructure	7,496	13,119
Totals	$ 17,635,955	$ 17,054,657

Changes in capital assets from the prior year resulted from additions, disposals and depreciation expense. The most significant change to capital assets was due to additions and depreciation. For additional information regarding capital assets, please see Note 8 to the Basic Financial Statements.

Debt

At June 30, 2022, the School District had $2,288,000 in bonds, capital leases and certificates of participation outstanding at fiscal year-end with $198,000 due within one year. Table 5 summarizes the School District's outstanding debt:

Table 5
Outstanding Debt at Year End
Governmental Activities

	2022	2021
2016 General Obligation Refunding Bonds - 1.61%	$ -	$ 565,000
2014 Energy Conservation General Obligation Bonds - 3.31%	420,000	473,000
Total Long-Term Bonds	420,000	1,038,000
Financed Purchase	395,000	435,000
Certificate of Participation Payable	1,473,000	1,562,000
Total Long Term Debt	$ 2,288,000	$ 3,035,000

At June 30, 2022 the School District's overall legal debt margin was $16,768,127 with an unvoted debt margin of $202,679. For additional information regarding the debt of the School District, please see Note 11 to the Basic Financial Statements.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the School District's financial status and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Karen Royer, Treasurer/CFO, Bethel-Tate Local School District, 675 West Plane Street, Bethel, Ohio 45106-1308.

Bethel-Tate Local School District
Statement of Net Position
June 30, 2022

		Governmental Activities
Assets		
Current Assets:		
Equity in Pooled Cash and Investments	$	3,749,128
Accrued Interest Receivable		1,769
Prepaid Items		8,012
Intergovernmental Receivable		373,400
Taxes Receivable		5,042,900
Noncurrent Assets:		
Nondepreciable Capital Assets		1,712,185
Depreciable Capital Assets, Net		15,923,770
Net OPEB Asset		1,174,431
Total Assets		27,985,595
Deferred Outflows of Resources		
Pension:		
State Teachers Retirement System		3,339,781
School Employees Retirement System		445,852
OPEB:		
State Teachers Retirement System		163,815
School Employees Retirement System		398,706
Total Deferred Outflows of Resources		4,348,154
Liabilities		
Current Liabilities:		
Accounts Payable		168,186
Accrued Wages and Benefits Payable		1,336,074
Intergovernmental Payable		300,977
Accrued Interest Payable		2,457
Noncurrent Liabilities:		
Due Within One Year		210,921
Due in More Than One Year		
Net Pension Liability (See Note 9)		9,568,458
Net OPEB Liability (See Note 10)		1,280,447
Other Amounts Due in More Than One Year		3,026,220
Total Liabilities		15,893,740
Deferred Inflows of Resources		
Pensions:		
State Teachers Retirement System		6,427,279
School Employees Retirement System		1,394,016
OPEB:		
State Teachers Retirement System		1,301,322
School Employees Retirement System		933,955
Property Taxes not Levied to Finance Current Year Operations		3,367,365
Total Deferred Inflows of Resources		13,423,937
Net Position		
Net Investment in Capital Assets		15,347,955
Restricted for:		
Debt Service		310,386
Capital Outlay		54,533
Other Purposes		473,864
Unrestricted		(13,170,666)
Total Net Position	$	3,016,072

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District

Statement of Activities

For the Fiscal Year Ended June 30, 2022

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	
GOVERNMENTAL ACTIVITIES				
Instruction:				
Regular	$ 7,189,817	$ 150,384	$ 1,036,928	$ (6,002,505)
Special	2,797,260	60,802	1,501,791	(1,234,667)
Vocational	779	15	3,608	2,844
Student Intervention Services	54,158	186	46,047	(7,925)
Other	20,900	-	26,936	6,036
Support Services:				
Pupils	1,231,369	28,533	93,742	(1,109,094)
Instructional Staff	259,118	3,039	90,178	(165,901)
Board of Education	39,367	975	-	(38,392)
Administration	1,212,039	29,968	-	(1,182,071)
Fiscal	435,751	11,041	940	(423,770)
Operation and Maintenance of Plant	1,575,348	31,322	188,978	(1,355,048)
Pupil Transportation	806,358	17,856	27,067	(761,435)
Central	153,169	3,244	22,702	(127,223)
Operation of Non-Instructional Services	599,081	46,009	686,484	133,412
Extracurricular Activities	455,520	251,328	429,801	225,609
Interest and Fiscal Charges	115,085	-	-	(115,085)
Total Governmental Activities	$ 16,945,119	$ 634,702	$ 4,155,202	(12,155,215)

GENERAL REVENUES	
Grants and Entitlements not Restricted to Specific Programs	9,452,021
Gifts and Donations not Restricted to Specific Programs	38,027
Investment Earnings	27,931
Change in Market Value of Investents	(118,913)
Miscellaneous	142,474
Property Taxes Levied for:	
General Purposes	6,134,988
Special Purposes	73,202
Total General Revenues	15,749,730
Change in Net Position	3,594,515
Net Position Beginning of Year	(578,443)
Net Position End of Year	$ 3,016,072

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District
Balance Sheet
Governmental Funds
June 30, 2022

	General	Bond Retirement	ESSER	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Investments	$ 2,734,947	$ 310,386	$ -	$ 703,795	$ 3,749,128
Accrued Interest Receivable	1,769	-		-	1,769
Prepaid Items	8,012	-		-	8,012
Interfund Receivable	199,109	-		-	199,109
Intergovernmental Receivable	85,876	-	139,834	147,690	373,400
Taxes Receivable	4,981,056	-	-	61,844	5,042,900
Total Assets	$ 8,010,769	$ 310,386	$ 139,834	$ 913,329	$ 9,374,318
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	$ 16,988	$ -	$ 151,198	$ -	$ 168,186
Accrued Wages and Benefits Payable	1,194,805	-	165	141,104	1,336,074
Interfund Payable	-	-	66,186	132,923	199,109
Intergovernmental Payable	263,766	-	7,529	29,682	300,977
Total Liabilities	1,475,559	-	225,078	303,709	2,004,346
DEFERRED INFLOWS OF RESOURCES					
Property taxes not Levied to Finance Current Year Operations	3,324,782	-	-	42,583	3,367,365
Unavailable Revenue - Delinquent Taxes	89,056	-	-	1,019	90,075
Unavailable Revenue - Grants	-	-	78,854	78,240	157,094
	3,413,838	-	78,854	121,842	3,614,534
Total Deferred Inflows of Resources					
FUND BALANCES					
Nonspendable	8,012	-		-	8,012
Restricted	-	310,386	-	611,950	922,336
Assigned	726,849	-	-	-	726,849
Unassigned	2,386,511	-	(164,098)	(124,172)	2,098,241
Total Fund Balances	3,121,372	310,386	(164,098)	487,778	3,755,438
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 8,010,769	$ 310,386	$ 139,834	$ 913,329	$ 9,374,318

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2022

Total Governmental Fund Balances		$ 3,755,438
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.		17,635,955
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Intergovernmental	247,169	
Total		247,169
The net pension liability and net OPEB liability (asset) are not due and payable in the current period; therefore, the liabilities (assets) and related deferred inflows/outflows are not reported in the funds.		
Deferred outflows of resources related to pensions	3,785,633	
Deferred outflows of resources related to OPEB	562,521	
Deferred inflows of resources related to pensions	(7,821,295)	
Deferred inflows of resources related to OPEB	(2,235,277)	
Net Pension Liability	(9,568,458)	
Net OPEB Asset	1,174,431	
Net OPEB Liability	(1,280,447)	
Total		(15,382,892)
Accrued interest payable on long-term debt is not reported in the funds.		(2,457)
Long-term liabilities, including bonds, certificates of participation, capital lease obligations, and the long-term portion of compensated absences are not due and payable in the current period and therefore are not reported in the funds.		
Financed Purchase Obligations	(395,000)	
Compensated Absences	(949,141)	
Certificates of Participation	(1,473,000)	
HB 264 Bonds	(420,000)	
Total		(3,237,141)
Net Position of Governmental Activities		$ 3,016,072

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	General	Bond Retirement	ESSER	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 6,130,993	$ -	$ -	$ 73,264	$ 6,204,257
Intergovernmental	10,578,324	-	1,139,862	1,789,807	13,507,993
Interest	26,705	-	-	1,226	27,931
Change in Market Value of Investments	(118,913)	-	-	-	(118,913)
Tuition and Fees	320,567	-	-	-	320,567
Rent	14,030	-	-	-	14,030
Extracurricular Activities	30,912	-	-	220,905	251,817
Customer Sales and Services	1,457	-	-	46,831	48,288
Gifts and Donations	12,485	-	-	25,542	38,027
Miscellaneous	137,616	-	-	4,858	142,474
Total Revenues	17,134,176	-	1,139,862	2,162,433	20,436,471
EXPENDITURES					
Current:					
Instruction:					
Regular	7,018,295	-	607,344	447,323	8,072,962
Special	2,577,850	-	-	403,710	2,981,560
Vocational	1,784	-	-	-	1,784
Student Intervention Services	7,323	-	31,806	15,029	54,158
Other	4,390	-	27,397	-	31,787
Support Services:					
Pupils	1,208,336	-	72,669	22,677	1,303,682
Instructional Staff	121,422	-	23,973	67,748	213,143
Board of Education	40,579	-	-	-	40,579
Administration	1,350,333	-	-	-	1,350,333
Fiscal	457,733	-	-	956	458,689
Operation and Maintenance of Plant	1,300,282	-	119,571	72,640	1,492,493
Pupil Transportation	750,106	-	1,033	26,497	777,636
Central	131,812	-	23,090	-	154,902
Operation of Non-Instructional Services	1,072	-	985	698,093	700,150
Extracurricular Activities	23,686	-	-	437,154	460,840
Capital Outlay	284,091	-	355,055	440,084	1,079,230
Debt Service:					
Principal	182,000	565,000	-	-	747,000
Interest and Fiscal Charges	111,897	4,094	-	-	115,991
Total Expenditures	15,572,991	569,094	1,262,923	2,631,911	20,036,919
Excess of Revenues Over (Under) Expenditures	1,561,185	(569,094)	(123,061)	(469,478)	399,552
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	193,000	193,000
Transfers Out	(193,000)	-	-	-	(193,000)
Total Other Financing Sources(Uses)	(193,000)	-	-	193,000	-
Net Change in Fund Balances	1,368,185	(569,094)	(123,061)	(276,478)	399,552
Fund Balances Beginning of Year	1,753,187	879,480	(41,037)	764,256	3,355,886
Fund Balances End of Year	$ 3,121,372	$ 310,386	$ (164,098)	$ 487,778	$ 3,755,438

See accompanying notes to the basic financial statements.

Bethel-Tate 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 Eneded June 30, 2022

Net Change in Fund Balances - Total Governmental Funds		$	399,552
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital asset additions in the current period.			
Capital Asset Additions	1,838,409		
Current Year Depreciation	(1,257,111)		
Total			581,298
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Taxes	3,933		
Intergovernmental	99,230		
Total			103,163
Repayment of bond principal are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net position and does not result in an expense in the statement of activities.			618,000
Repayment of financed purchase obligations are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net position and does not result in an expense in the statement of activities.			40,000
Repayment of certificate of participation obligations are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net position and does not result in an expense in the statement of activities.			89,000
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.			1,341,120
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.			287,683
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability (asset) are reported as OPEB expense in the statement of activities.			83,346
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Decrease in Compensated Absences	50,447		
Decrease in Interest Payable	906		
Total			51,353
Net Change in Net Position of Governmental Activities		$	3,594,515

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
(Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts			
	Original	**Final**	**Actual**	**Variance with Final Budget: Positive (Negative)**
REVENUES:				
Taxes	$ 5,103,852	$ 4,963,244	$ 4,963,244	$ -
Intergovernmental	10,862,938	10,563,671	10,445,115	(118,556)
Interest	29,778	28,958	31,696	2,738
Tuition and Fees	329,649	320,567	320,567	-
Rent	14,427	14,030	14,030	-
Extracurricular Activities	31,788	30,912	30,912	-
Gifts and Donations	12,839	12,485	12,485	-
Customer Sales and Services	1,498	1,457	1,457	-
Miscellaneous	17,810	17,319	18,199	880
Total Revenues	16,404,579	15,952,643	15,837,705	(114,938)
EXPENDITURES:				
Current:				
Instruction:				
Regular	8,864,803	7,104,628	6,978,559	126,069
Special	2,258,669	2,633,711	2,633,701	10
Vocational	77,601	1,528	1,528	-
Other	500	11,135	11,125	10
Support Services:				
Pupils	852,900	1,228,509	1,185,672	42,837
Instructional Staff	160,112	128,631	128,631	-
Board of Education	32,350	42,090	42,090	-
Administration	1,179,649	1,391,251	1,391,251	-
Fiscal	384,717	470,894	470,894	-
Operation and Maintenance of Plant	1,237,796	1,369,762	1,369,089	673
Pupil Transportation	479,423	749,348	747,633	1,715
Central	114,570	142,524	142,524	-
Operation of Non-Instructional Services	1,500	1,072	1,072	-
Extracurricular Activities	27,660	23,868	23,846	22
Capital Outlay	18,630	437,373	437,373	-
Debt Service:				
Principal	182,000	182,000	182,000	-
Interest	113,610	111,897	111,897	-
Total Expenditures	15,986,490	16,030,221	15,858,885	171,336
Excess of Revenues Over (Under) Expenditures	418,089	(77,578)	(21,180)	56,398
OTHER FINANCING SOURCES AND (USES):				
Refund of Prior Year Expenditures	-	-	119,417	119,417
Transfers Out	(783,000)	(193,000)	(193,000)	-
Advances Out	(5,000)	-	-	-
Total Other Financing Sources and (Uses)	(788,000)	(193,000)	(73,583)	119,417
Net Change in Fund Balances	(369,911)	(270,578)	(94,763)	175,815
Fund Balance at Beginning of Year	2,290,628	2,290,628	2,290,628	-
Prior Year Encumbrances Appropriated	221,538	221,538	221,538	-
Fund Balance at End of Year	$ 2,142,255	$ 2,241,588	$ 2,417,403	$ 175,815

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
(Budgetary Basis)
ESSER Fund
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget: Positive (Negative)
	Original	**Final**	**Actual**	
REVENUES:				
Intergovernmental	$ 2,743,068	$ 2,768,368	$ 1,078,882	$ (1,689,486)
Total Revenues	2,743,068	2,768,368	1,078,882	(1,689,486)
EXPENDITURES:				
Current:				
Instruction:				
Regular	1,242,383	1,253,903	851,872	402,031
Student Intervention Services	247,141	249,433	34,356	215,077
Other	107,102	108,095	50,438	57,657
Support Services:				
Pupils	73,300	73,980	72,669	1,311
Instructional Staff	59,449	60,000	30,273	29,727
Operation and Maintenance of Plant	205,072	206,973	127,223	79,750
Pupil Transportation	15,004	15,143	1,033	14,110
Central	22,878	23,090	23,090	-
Operation of Non-Instructional Services	991	1,000	985	15
Capital Outlay	738,137	744,981	744,971	10
Total Expenditures	2,711,457	2,736,598	1,936,910	799,688
Net Change in Fund Balances	31,611	31,770	(858,028)	(889,798)
Fund Balance at Beginning of Year	(289,439)	(289,439)	(289,439)	-
Prior Year Encumbrances Appropriated	257,828	257,828	257,828	-
Fund Balance at End of Year	$ -	$ 159	$ (889,639)	$ (889,798)

See accompanying notes to the basic financial statements.

Bethel-Tate Local School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Custodial Fund
ASSETS:	
Equity in Pooled Cash and Investments	$ 10,882
NET POSITION:	
Restricted for Other Purposes	$ 10,882
Total Net Position	$ 10,882

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

Bethel-Tate Local School District

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2022

	Custodial Fund
ADDITIONS:	
Miscellaneous	$ -
Total Additions	-
Change in Net Position	-
Net Position Beginning of Year	10,882
Net Position End of Year	$ 10,882

See accompanying notes to the basic financial statements.

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

The School District was established in the early 1800s through the consolidation of existing land areas and school districts. The School District serves an area of approximately 48.04 square miles. It is located in Clermont County, and includes the Village of Bethel and Tate Township. It is staffed by 79 non-certificated employees and administrative employees and 105 certificated full-time teaching personnel who provide services to 1,646 students and other community members. The School District currently operates 4 instructional buildings, 1 Central Office/Transportation Building, and 1 maintenance garage.

Reporting Entity:

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organizations governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

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

- Boosters Clubs

The School District is associated with six organizations, three of which are defined as jointly governed organizations, one as a public entity shared risk pool, and one as an insurance purchasing pool. These organizations are the Unified Purchasing Cooperative of the Ohio River Valley, the U.S. Grant Joint Vocational School, the Southwestern Ohio Computer Association, the Southwestern Ohio Educational Purchasing Council, the Southwestern Ohio Educational Purchasing Council Medical Insurance and Benefit Plan Trust, and the Sheakley Workers' Comp and Safety Group Retrospective Rating Plan. These organizations and the School District's participation are discussed in Notes 7, 12, 13 and 14 to the Basic Financial Statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Fund Accounting

The School District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific School District's functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose 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, liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

General Fund
The General Fund is the general operating fund of the School 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 School District for any purpose provided it is expended or transferred according to the school laws of Ohio.

Bond Retirement Fund
The Bond Retirement Fund is a debt service fund used to account for the accumulation of financial resources restricted, committed, or assigned for the payment of general long-term debt. The major source of revenue for this fund is tax levy proceeds.

Elementary and Secondary School Emergency Relief (ESSER) Fund
The ESSER Fund is a special revenue fund used to account for the federal grant revenues received for elementary and secondary school emergency relief. The major source of revenue for this fund is grants.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Custodial funds are used to maintain financial activity of the School District's fiduciary activities that are not required to be reported in a trust fund. In accordance with GASB 34, fiduciary funds are not included in the government-wide statements. The School District's custodial fund accounts for State athletic tournament games, for which the School District acts as fiscal agent.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

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

Government-wide Financial Statements

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

The statement of net position presents the financial condition of governmental activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School 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 School District.

Fund Financial Statements

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

Measurement Focus

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred inflows/outflows of resources and current liabilities 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 fund financial statements for governmental funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The fund financial statements are prepared using either the modified accrual basis of accounting for governmental funds or the accrual basis of accounting for fiduciary funds. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue, the presentation of expenses versus expenditures, the recording of deferred inflows and outflows of resources related to net pension and net OPEB liabilities (assets), and the recording of net pension and net OPEB liabilities (assets).

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 School District, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 5). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditures requirements, in which the resources are provided to the School 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 year-end: property taxes available as an advance, investment earnings, tuition, grants, and fees.

Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditures/expenses) until then. The School District recorded a deferred outflow of resources for pensions and other postemployment benefits. The deferred outflows of resources related to the pension and other postemployment benefits are explained in Note 9 and Note 10, respectively. The School District also reports a deferred inflow of resources which represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenues) until that time. For the School District these amounts consist of taxes and grants which are not collected in the available period and pensions and other postemployment benefits. The difference between deferred inflows on the Statement of Net Position and the Balance Sheet is partially due to delinquent property taxes, and grants not received during the available period. These were reported as revenues on the Statement of Activities and not recorded as deferred inflows on the Statement of Net Position. Deferred inflows of resources related to pension are reported on the Statement of Net Position. (See Note 9). Deferred inflows of resources related to other postemployment benefits are reported on the Statement of Net Position. (See Note 10)

Expenses/Expenditures

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for (1) principal and interest on general long-term debt and capital lease obligations, which is recorded when due and (2) the costs of accumulated unpaid vacation, personal leave and sick leave are reported as fund liabilities as payments come due each period upon the occurrence of employee resignations and retirements. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgetary Process

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

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

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

Cash and Investments

Cash received by the School District is deposited into one of several bank accounts with individual fund balance integrity maintained. Balances of all funds are maintained in these accounts or are temporarily used to purchase certificates of deposit or investments. All investment earnings accrue to the General Fund except those specifically related to those funds deemed appropriate according to Board of Education policy. Interest earned amounted to $27,931 in which $26,705 was recorded in the General Fund and $1,226 was recorded in the other governmental funds.

The School District records all its investments at fair value. For presentation on the financial statements, investments of the cash management pool and investments with original maturities of three month or less at the time they are purchased by the School District are presented as Equity in Pooled Cash and Investments on the financial statements. The School District has invested in a money market funds, negotiable certificates of deposit, U.S. Treasury Securities, and U.S. Governmental Agency securities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets and Depreciation

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of $5,000.

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. The School District does not capitalize interest.

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

Description	Estimated Lives
Land Improvements	10-25 years
Building and Improvements	10-50 years
Furniture and Equipment	5-20 years
Vehicles	7-15 years
Books	5-20 years
Infrastructure	10-15 years

Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method.

The liability includes the employees who are currently eligible to receive severance benefits and those the School District has identified as probable of receiving payment in the future. The School District records an accrual for sick leave to the extent it is probable that benefits will result in termination payments. The accrual amount is based upon an estimate of the School District's past experience of making termination payments.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employee will be paid.

Accrued Liabilities and Long-Term Obligations

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities and Long-Term Obligations (Continued)

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and 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 and will be paid with available financial resources. Bonds, long-term loans, and capital leases are recognized as a liability on the government-wide financial statements when due.

Interfund Balances

Activity between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year, are referred to as either "due to/from other funds" or as "interfund receivable/payable." All unpaid reimbursements between funds are report as "due to/from other funds." These amounts are generally eliminated in the governmental activities column of the statement of net position. See note 17 for interfund balances.

Net Position

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

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

The government-wide statement of net position reports $838,783 in restricted net position, none of which is restricted by enabling legislation.

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. Transfers between governmental activities are eliminated on the statement of activities.

Fund Balance

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

Nonspendable The nonspendable fund balance classification includes amounts that cannot be spent because they are not in the spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance (Continued)

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by policies of the School District Board of Education.

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

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

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation.

Estimates

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

Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension liability, net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension/OPEB 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/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

NOTE 3 - BUDGET TO GAAP RECONCILIATION

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

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

1. Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis).

2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the liability is incurred (GAAP basis).

3. Encumbrances are treated as expenditures (budget basis) rather than as a restriction, commitment or assignment of fund balance for governmental fund types (GAAP basis).

4. Funds treated as General and ESSER Funds equivalents on the GAAP basis are not included on the budget basis.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General and ESER Funds:

Net Change in Fund Balance

	General	ESSER
GAAP Basis	$1,368,185	($123,061)
Adjustments:		
Revenue Accruals	(1,032,849)	(60,980)
Expenditure Accruals	(109,985)	149,471
Perspective Difference:		
Activity of Funds Reclassed for		
GAAP Reporting Purposes	(37,209)	0
Encumbrances	(282,905)	(823,456)
Budget Basis	($94,763)	($858,026)

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

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

Interim moneys may be deposited or invested in the following securities:

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

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

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

4. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions 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) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

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

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

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

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

Deposits Custodial credit risk is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, $1,750,029 of the School District's bank balance of $2,000,029 was exposed to custodial credit risk because those deposits were uninsured and collateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

The School District does not have a deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

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

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

Investments At June 30, 2022, the School District had the following investments:

Investment Type	Fair Value	Less Than One Year	1-2 Years	3-5 Years
Money Market Funds	$31,331	$31,331	$-	$-
FHLMC Notes	1,047,328	-	395,356	651,972
Negotiable Certificates of Deposits	746,235	-	746,235	-
Total	$1,824,894	$31,331	$1,141,591	$651,972

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2022. All investments of the School District are valued using quoted market prices (Level 1 inputs).

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the School District's investment policy, the School District manages it exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit Risk. Credit risk is the risk that an issue or other counterparty to an investment will not fulfill its obligations. The School District's policy places limitations on the types of investments the School District may invest in. The School District's policy authorizes investment in allowable securities as outlined in Ohio Revised Code Section 135. The School District's investments in FHLMC were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The Money Market Funds were rated AAAm by Standard & Poor's. The School District's investments in individual marketable certificates of deposits are fully insured by the Federal Deposit Insurance Corporation.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Concentration of Credit Risk. The School District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of total of each investment type held by the School District at June 30, 2022:

Investment Type	Fair Value	% of Total
Money Market Funds	$31,331	1.7%
FHLMC Notes	1,047,328	57.4%
Negotiable Certificate of Deposits	746,235	40.9%
Total	$1,824,894	100.0%

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

NOTE 5 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Real property taxes received in calendar year 2022 were levied after April 1, 2021, on the assessed value listed as of January 1, 2021, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable 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 2022 represents collections of calendar year 2021 taxes. Public utility real and tangible personal property taxes received in calendar year 2022 became a lien on December 31, 2020, were levied after April 1, 2021, and are collected in 2022 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Clermont and Brown Counties. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2022, are available to finance fiscal year 2022 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

NOTE 5 - PROPERTY TAXES (Continued)

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2022. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2022, was $1,567,218 in the General Fund and $18,242 in Other Governmental Funds.

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

	2021 Second-Half Collections		2022 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	$ 194,092,330	96.70%	$ 195,355,540	96.39%
Public Utility	6,625,020	3.30%	7,323,650	3.61%
Total Assessed Value	$ 200,717,350	100.00%	$ 202,679,190	100.00%
Tax rate per $1,000 of assessed valuation	$ 42.43		$ 42.43	

NOTE 6 - RECEIVABLES

Receivables at June 30, 2022, consisted of property taxes, interest, 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 fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

Major Funds:	
General Fund	$ 85,876
ESSER	$ 139,834
Non-major Special Revenue Funds:	
Title VI B	100,226
Title I	36,028
IDEA Preschool Grant	9,240
High Schools That Work	2,196
	$ 373,400

NOTE 7 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2022, the School District contracted with Markel Insurance Company for coverage for liability, real property, building and contents, and vehicles. Vehicles policies include liability coverage for bodily injury and property damage. Coverage provided is as follows:

Building and Contents-replacement cost ($2,500 deductible)	$54,295,232
Automobile Liability (No deductible)	1,000,000
Uninsured Motorists (No deductible)	1,000,000
General Liability	
Per occurrence	1,000,000
Total per year	3,000,000

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

For fiscal year 2022, the School District participated in the Sheakley Workers' Compensation and Safety Group Retrospective Rating Plan (Plan), an insurance purchasing pool (Note 14). The intent of the GRP is to reward participants that are able to keep their claims cost low. School districts continue to pay their individual premium directly to the Ohio Bureau of Workers' Compensation (BWC). School districts will then have future premium adjustments (refunds or assessments) at the end of each of the three evaluation periods. For the 2021 Plan, the evaluation periods will be January 2022, January 2023 and January 2024. Refunds or assessments will be calculated by the Ohio BWC, based on the pro-rata share of the districts individual premium compared to the overall Plan premium.

Participation in the Group Retrospective Rating Plan is limited to school districts that can meet the programs selection criteria. The firm of Sheakley UniService Inc. provides administrative, cost control and actuarial services to the Plan.

The School District is a member of the Southwestern Ohio Educational Purchasing Council Medical Insurance and Benefit Plan Trust, which is a public entity shared risk pool. The Trust is organized as a Voluntary Employee Benefit Association under Section 501(c)(9) of the Internal Revenue Code and provides medical and dental insurance benefits to the employees of the participants. The Trust is governed by the Southwestern Ohio Educational Purchasing Cooperative and its participating members. Each participant decides which plans offered by the Trust will be extended to its employees. Participation in the Trust is by written application subject to acceptance by the Trust and payment of the monthly premiums. Financial information can be obtained from the Southwestern Ohio Educational Purchasing Cooperative, 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2022, was as follows:

	Ending Balance 06/30/21	Additions	Deletions	Ending Balance 06/30/22
Governmental Activities				
Capital Assets, Not Being Depreciated				
Library Books	$ 594,334	$ -	$ -	$ 594,334
Land	1,117,851	-	-	1,117,851
Total Capital Assets, Not Being Depreciated	1,712,185	-	-	1,712,185
Capital Assets Being Depreciated				
Land Improvements	1,424,071	-		1,424,071
Buildings and Improvements	39,243,981	1,708,813	-	40,952,794
Furniture and Equipment	1,946,071	129,596	(100,448)	1,975,219
Vehicles	1,600,612	-	(120,959)	1,479,653
Books	136,616	-		136,616
Infrastructure	125,454	-		125,454
Total Capital Assets, Being Depreciated	44,476,805	1,838,409	(221,407)	46,093,807
Less Accumulated Depreciation:				
Land Improvements	(1,002,482)	(43,053)	-	(1,045,535)
Buildings and Improvements	(24,856,721)	(1,099,025)	-	(25,955,746)
Furniture and Equipment	(1,877,557)	(35,301)	100,448	(1,812,410)
Vehicles	(1,179,493)	(74,109)	120,959	(1,132,643)
Books	(105,745)	-	-	(105,745)
Infrastructure	(112,335)	(5,623)	-	(117,958)
Total Accumulated Depreciation	(29,134,333)	(1,257,111)	221,407	(30,170,037)
Total Capital Assets Being Depreciated, Net	15,342,472	581,298	-	15,923,770
Governmental Activities Capital Assets, Net	$ 17,054,657	$ 581,298	$ -	$ 17,635,955

NOTE 8 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$ 855,239
Other	205
Support Services:	
Pupils	12,385
Instructional Staff	47,713
Board of Education	952
Administration	31,860
Operation and Maintenance of Plant	169,707
Pupil Transportation	75,657
Central	2,326
Operation of Non-Instructional Services	1,604
Extracurricular Activities	59,463
Total Depreciation Expense	$ 1,257,111

NOTE 9 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability (Asset)

The net pension liability and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions and OPEB are a component of exchange transactions between an employer and its employees of salaries and benefits for employee services. Pensions and OPEB are provided to an employee on a deferred payment basis as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions and OPEB are a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

GASB Statements No. 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

Net Pension Liability/Net OPEB Liability (Asset) (Continued)

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/OPEB 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 10 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire 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 thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension 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 0 percent.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, 14.0% was designated to pension, death benefits, and Medicare B. There was no amount allocated to the Health Care Fund for fiscal year 2020.

The School District's contractually required contribution to SERS was $327,569 for fiscal year 2022. Of this amount $96,915 is reported as an intergovernmental payable.

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 27 years of service, or 30 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until Aug. 1, 2026 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

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

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 Ohio 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 Ohio bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description - State Teachers Retirement System (STRS) (Continued)

Funding Policy – Employer and member contribution rates are established by the Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory employer rate is 14% and the statutory member rate is 14% of covered payroll. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2022 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS Ohio was $972,062 for fiscal year 2022. Of this amount $193,830 is reported as an intergovernmental payable.

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

The net pension liability reported as of June 30, 2022 was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability - Current Year	0.0663048%	0.055702015%	
Proportionate Share of the Net Pension Liability - Prior Year	0.0632323%	0.056942200%	
Change in Proportionate Share	0.0030725%	-0.001240185%	
Proportion of the Net Pension Liability	$2,446,455	$7,122,003	$9,568,458
Pension Expense (Gain)	$1,972	($289,655)	($287,683)

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

Deferred Outflows of Resources	**SERS**	**STRS**	**Total**
Differences between expected and actual economic experience	$236	$220,035	$220,271
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	96,453	139,095	235,548
Changes of assumptions	51,515	1,975,771	2,027,286
School District contributions subsequent to the measurement date	297,648	1,004,880	1,302,528
Total	$445,852	$3,339,781	$3,785,633

Deferred Inflows of Resources	**SERS**	**STRS**	**Total**
Differences between expected and actual economic experience	$63,447	$44,640	$108,087
Differences between projected and actual investment earnings	1,259,996	6,137,804	7,397,800
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	70,573	244,835	315,408
Total	$1,394,016	$6,427,279	$7,821,295

$1,302,528 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

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

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	($318,946)	($960,483)	($1,279,429)
2024	(240,541)	(882,866)	(1,123,407)
2025	(299,582)	(984,792)	(1,284,374)
2026	(386,743)	(1,264,237)	(1,650,980)
Total	($1,245,812)	($4,092,378)	($5,338,190)

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2021, compared with June 30, 2020, are presented below:

	June 30, 2021	June 30, 2020
Inflation	2.4 percent	3.00 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement	2.5 percent
Investment Rate of Return	7.00 percent net of System expenses	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)

Mortality rates for 2021 were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Mortality rates for 2020 were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members were based upon the 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.

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – SERS (Continued)

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in the 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.

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

Discount Rate The total pension liability for 2021 was calculated using the discount rate of 7.00 percent. The discount rate for 2020 was 7.5 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$4,070,300	$2,446,455	$1,076,995

Assumptions and Benefit Changes Since the Prior Measurement Date – There were no changes in assumptions or benefits since the prior measurement date.

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2021, actuarial valuation compared to those used in the June 30, 2020, actuarial valuation are presented below:

	June 30, 2021	June 30, 2020
Inflation	2.50 percent	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent	7.45 percent
Payroll Increases	3.00 percent	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent	0.0 percent,

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

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

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

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

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

NOTE 9 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – STRS (Continued)

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$13,336,847	$7,122,003	$1,870,474

Changes Between the Measurement Date and the Reporting date In February 2022, the Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. These demographic measures include retirement, salary increase, disability/termination and mortality assumptions. In March 2022, the STRS Board approved benefit plan changes to take effect on July 1, 2022. These changes include a one-time three percent cost-of-living increase (COLA) to be paid to eligible benefit recipients and the elimination of the age 60 requirement for retirement age and service eligibility that was set to take effect in 2026. The effect on the net pension liability is unknown.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2022, none of the District's members of the Board of Education has elected Social Security. The contribution rate is 6.2 percent of wages.

NOTE 10 – POSTEMPLOYMENT BENEFITS

Net Other Postemployment Benefits (OPEB) Liability (Asset)

See Note 9 for a description of the net OPEB liability (asset).

School Employees Retirement System

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. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2022, no allocation of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2022, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the District's surcharge obligation was $38,592.

The surcharge added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. No portion of covered payroll was allocated to the Health Care Fund in 2022. The District's contractually required contribution to SERS was $38,592 for fiscal year 2022. Of this amount, $29,921 is reported as an intergovernmental payable.

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

State Teachers Retirement System of Ohio

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All health care plan enrollees 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, 2022, STRS did not allocate any employer contributions to post-employment health care.

Net Other Post Employment Benefit (OPEB) Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Liability (Asset)

The net OPEB (asset) liability was measured as of June 30, 2021, and the total OPEB (asset) liability used to calculate the net OPEB (asset) liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB (asset) liability 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 (gain):

	SERS	STRS	Total
Proportionate Share of the Net OPEB (Asset) Liability - Current Year	0.0676561%	0.055702015%	
Proportionate Share of the Net OPEB (Asset) Liability - Prior Year	0.0651817%	0.056942200%	
Change in Proportionate Share	0.0024744%	-0.001240185%	
Proportion of the Net OPEB Liability	$1,280,447	$0	$1,280,447
Proportion of the Net OPEB (Asset)	$0	($1,174,431)	($1,174,431)
OPEB Expense (Gain)	$14,072	($97,418)	($83,346)

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Net Other Post Employment Benefit (OPEB) Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Liability (Asset) (Continued)

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

Deferred Outflows of Resources	**SERS**	**STRS**	**Total**
Differences between expected and actual economic experience	$13,649	$41,818	$55,467
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	145,593	46,980	192,573
Changes of assumptions	200,872	75,017	275,889
School District contributions subsequent to the measurement date	38,592	-	38,592
Total	$398,706	$163,815	$562,521

Deferred Inflows of Resources	**SERS**	**STRS**	**Total**
Differences between expected and actual economic experience	$637,721	$215,177	$852,898
Differences between projected and actual investment earnings	27,818	325,532	353,350
Changes of assumptions	175,347	700,633	875,980
Difference from a change in proportion and differences between School District contributions and proportionate share of contributions	93,069	59,980	153,049
Total	$933,955	$1,301,322	$2,235,277

$38,592 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (adjustment to net OPEB asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2023	($119,420)	($336,176)	($455,596)
2024	(119,615)	(328,029)	(447,644)
2025	(133,950)	(293,608)	(427,558)
2026	(122,451)	(134,201)	(256,652)
2027	(55,890)	(46,458)	(102,348)
Thereafter	(22,515)	965	(21,550)
Total	($573,841)	($1,137,507)	($1,711,348)

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation are presented below:

	June 30, 2021	June 30, 2020
Inflation	2.40 percent	3.00 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation	7.50 percent net of investment expense, including inflation
Muncipal Bond Index Rate:		
Measurement Date	1.92 percent	2.45 percent
Prior Measurement Date	2.45 percent	3.13 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation		
Measurement Date	2.27 percent	2.63 percent
Prior Measurement Date	2.63 percent	3.22 percent
Medical Trend Assumption		
Medicare	5.125 to 4.40 percent	5.25 to 4.75 percent
Pre-Medicare	6.75 to 4.40 percent	7.00 to 4.75 percent

For 2021, mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – SERS (Continued)

For 2020, 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, 2020.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2015 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

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

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

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – SERS (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.27%) and higher (3.27%) than the current discount rate (2.27%).

	1% Decrease (1.27%)	Current Discount Rate (2.27%)	1% Increase (3.27%)
District's proportionate share of the net OPEB liability	$1,586,629	$1,280,447	$1,035,847

The following table presents the OPEB liability of SERS, what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate (7.00% decreasing to 4.75%).

	1% Decrease in Trend Rates	Current Trend Rate	1% Increase in Trend Rates
District's proportionate share of the net OPEB liability	$985,839	$1,280,447	$1,673,953

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2021, actuarial valuation and the June 30, 2020 actuarial valuation are presented below:

	June 30, 2021	June 30, 2020
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.45 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	5.00 percent initial, 4 percent ultimate	5.00 percent initial, 4 percent ultimate
Medicare	-16.18 percent initial, 4 percent ultimate	-6.69 percent initial, 4 percent ultimate
Prescription Drug		
Pre-Medicare	6.50 percent initial, 4 percent ultimate	6.50 percent initial, 4 percent ultimate
Medicare	29.98 initial, 4 percent ultimate	11.87 initial, 4 percent ultimate

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

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – STRS (Continued)

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

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

The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

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

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

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

Discount Rate — The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2021 and was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2021.

Sensitivity of the District's Proportionate Share of the Net OPEB (Asset) Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The following table represents the net OPEB liability (asset) as of June 30, 2021, calculated using the current period discount rate assumption of 7.00%, as well as what the net OEPB (asset) liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB (asset) liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

NOTE 10 – POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions – STRS (Continued)

	1% Decrease in Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net OPEB (asset) liability	($991,039)	($1,174,431)	($1,327,629)

	1% Decrease in Trend Rates	Current Trend Rate	1% Increase in Trend Rates
District's proportionate share of the net OPEB (asset) liability	($1,321,421)	($1,174,431)	($992,665)

Changes Between the Measurement Date and the Reporting date In February 2022, the Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. The effect on the net OPEB liability is unknown.

NOTE 11 - LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2022 were as follows:

	Principal Outstanding 06/30/21	Additions	Deductions		Principal Outstanding 06/30/22	Due in One Year
2016 General Obligation Refunding Bonds 1.61%	$ 565,000	$ -	$ 565,000		$ -	$ -
2014 Energy Conservation General Obligation Bonds 3.31%	473,000	-	53,000		420,000	54,000
Total Long-Term Bonds	1,038,000	-	618,000		420,000	54,000
Net Pension Liability						
STRS	13,777,986	-	6,655,983		7,122,003	-
SERS	4,182,318	-	1,735,863		2,446,455	-
Total Net Pension Liability	17,960,304	-	8,391,846		9,568,458	-
Net OPEB Liability						
STRS	-	-	-	(a)	-	-
SERS	1,416,612	-	136,165		1,280,447	-
Total OPEB Pension Liability	1,416,612	-	136,165		1,280,447	-
Financed Purchases	435,000	-	40,000		395,000	50,000
Certificate of Participation Payable	1,562,000		89,000		1,473,000	94,000
Compensated Absences	999,588	618,677	669,124		949,141	12,921
Total Long-Term Obligations	$ 23,411,504	$ 618,677	$ 9,944,135		$ 14,086,046	$ 210,921

(a) OPEB for STRS has a Net OPEB asset in the amount of $1,174,431 as of June 30, 2022.

NOTE 11 - LONG-TERM OBLIGATIONS (Continued)

General Obligation Refunding Bonds – On November 1, 2016, the School District issued $2,525,000 in Classroom Facilities Unlimited Tax General Obligation Bonds, current refunding $2,525,000 of the Classroom Facilities General Obligation Bonds issued in 2007. The bonds were issued for a 5 year period with final maturity on December 1, 2021. The bonds are being retired with property taxes from the Debt Service Fund.

The School District defeased $2,525,000 of the General Obligation Bonds 2007 on November 1, 2016 and these bonds were redeemed on December 1, 2016 at a redemption of 100% of the outstanding principal amount of the General Obligation Bonds 2007. As a result of this transaction, the School District reduced their debt service requirements by $232,823 from $2,887,837 to $2,655,014. This transaction also resulted in an economic gain of $207,591 for the School District. These bonds were paid in full during fiscal year 2022.

Energy Conservation General Obligation Bonds - On February 28, 2014, Bethel-Tate Local School District issued $755,000 in general obligation bonds for the purpose of acquiring energy conservation measures that will significantly reduce energy consumption in the form of control systems, lighting systems, and HVAC systems. The bonds were issued for a fifteen year period with a final maturity during fiscal year 2029. The bonds are being retired from the General Fund.

Compensated absences will be paid from the fund from which the employees' salaries are paid, with the General Fund being the most significant.

Principal and interest requirements to retire the energy conservation general obligation bonds at June 30, 2022 are as follows:

Fiscal Year Ending June 30,	2014 Energy Conservation Bonds		
	Principal	Interest	Total
2023	54,000	13,008	$ 67,008
2024	56,000	11,188	67,188
2025	58,000	9,301	67,301
2026	60,000	7,348	67,348
2027	62,000	5,329	67,329
2028-2029	130,000	4,337	134,337
Totals	$ 420,000	$ 50,511	$ 470,511

NOTE 11 - LONG-TERM OBLIGATIONS (Continued)

Financed Purchase Obligation

In fiscal year 2014, the School District entered into a financed-purchase agreement to acquire DDC Control Systems as part of an Energy Performance Contract with Four Seasons Environmental, Inc. The District will retain title to the DDC Control Systems during the financed purchase term. Four Seasons Environmental, Inc. has assigned Huntington Public Corporation as trustee. Huntington Public Corporation deposited $690,000 in the School District's name with a fiscal agent for the control systems. Amounts were paid to contractors by the School District as the work progressed. The School District then submitted the invoices to the agent for reimbursement. The School District makes semi-annual payments to Huntington National Bank. The interest rate is fixed at 3.51 percent. The financed purchase will be paid off in fiscal year 2029.

The School District's future payments under financed purchase obligations for Governmental Activities as of June 30, 2022 are as follows:

Fiscal Year Ending June 30,	Financed Purchase Principal	Interest	Total
2023	50,000	12,987	$ 62,987
2024	50,000	11,232	61,232
2025	50,000	9,477	59,477
2026	50,000	7,722	57,722
2027	65,000	5,704	70,704
2028-2029	130,000	4,564	134,564
Totals	$ 395,000	$ 51,686	$ 446,686

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NOTE 11 - LONG-TERM OBLIGATIONS (Continued)

Certificates of Participation

In previous fiscal years, the School District entered into certificates of participation to finance a variety of projects including a portion of the classroom facilities project, as well as, several other construction projects, the acquisition of new school buses, computers and computer related software, and for the construction of a new transportation facility. During fiscal year 2006 and 2007, the School District entered into certificates of participation to finance the construction of a new Central Office/Transportation Building. The School District is leasing the projects from Columbus Regional Airport Authority. Columbus Regional Airport Authority will retain title to the project during the certificate term. Columbus Regional Airport Authority has assigned US Bank as trustee. US Bank deposited $511,000 in the School District's name with an escrow agent for the construction of the facility. Amounts were paid to contractors by the School District as the work progressed. The School District is making semi-annual payments to US Bank. Principal payments in fiscal year 2022 totaled $85,000 in the governmental funds. This debt is being repaid from the General Fund.

The following table represents the payments required on the Certificate of Participation for the amount outstanding at June 30, 2022:

Ending June 30,	Principal	Interest	Total
2023	94,000	76,078	$ 170,078
2024	98,000	71,030	169,030
2025	104,000	65,686	169,686
2026	110,000	60,081	170,081
2027	115,000	54,180	169,180
2028-2032	671,000	170,808	841,808
2033-2037	281,000	32,753	313,753
Totals	$1,473,000	$530,616	$2,003,616

The School District's voted legal debt margin was $16,768,127 with an unvoted debt margin of $202,679 at June 30, 2022.

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS

Unified Purchasing Cooperative of the Ohio River Valley - The Unified Purchasing Cooperative of Ohio River Valley is a jointly governed organization among a two-county consortium of school districts. The Unified Purchasing Cooperative was organized under the Hamilton Clermont Cooperative Association to benefit member districts with a more economically sound purchasing mechanism for general school, office, and cafeteria supplies. The Unified Purchasing Cooperative organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility by the participating governments.

U.S. Grant Joint Vocational School - The U.S. Grant Joint Vocational School is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the four participating school districts' elected boards with an additional representative rotated among the four schools. The Vocational School possesses its own budgeting and taxing authority. To obtain financial information write to the U.S. Grant Joint Vocational School, Patricia Patten, who serves as Treasurer, at 3046 State Route 125, Bethel, Ohio 45106.

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

Southwestern Ohio Computer Association – The School District participates in the Southwestern Ohio Computer Association (SWOCA), which is a computer consortium. SWOCA is an association of public school districts within the boundaries of Clermont, Hamilton, Warren, Preble, and Butler counties and involves all cities that have school districts within these counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. SWOCA is governed by a board of directors consisting of one representative from each of the participating members. The District paid SWOCA $33,066 for services provided during the year. Financial information may be obtained from the Southwestern Ohio Computer Association, 3603 Hamilton- Middletown Road, Hamilton, Ohio.

NOTE 13 - PUBLIC ENTITY SHARED RISK POOL

The School District participates in the Southwestern Ohio Educational Purchasing Council (SOEPC), a purchasing council made up of nearly 132 school districts and educational service centers in 18 counties. The purpose of the council is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Any district withdrawing from the SOEPC forfeits its claim to any and all SOEPC assets. One year's prior notice is necessary for withdrawal from the group. During this time, the withdrawing member is liable for all member obligations during the one year period. The Board exercises total control over the operations of the council including budgeting, appropriating, contracting and designating management. Each School District's degree of control is limited to its representation on the Board. Payments to the SOEPC are made from the General, Permanent Improvement and Food Service Funds. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, at 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

NOTE 14 – INSURANCE PURCHASING POOLS

Sheakley Workers' Compensation and Safety Group Retrospective Rating Plan - The School District participates in the Sheakley Workers' Compensation and Safety Group Retrospective Rating Plan (Plan), an insurance purchasing pool. The Plan's business and affairs are conducted by Sheakley UniService, Inc. Each year, the participating school districts pay an enrollment fee to Sheakley to cover the costs of administering the program.

NOTE 15 - CONTINGENCIES

Litigation

The School District is not party to legal proceedings.

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2022, if applicable, cannot be determined at this time.

NOTE 15 – CONTINGENCIES (Continued)

Foundation

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, ODE has finalized the impact of enrollment adjustments to the June 30, 2022 Foundation funding for the School District and does not anticipate any further FTE adjustments for FY 2022.

NOTE 16 -STATUTORY RESERVES

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

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

	Capital Maintenance Reserve
Set Aside Reserve Balance June 30, 2021	$0
Required Set-Aside	270,107
Current Year Qualifying Expenditures	(270,107)
Total	$0
Balance Carried Forward to Fiscal Year 2022	$0
Set Aside Reserve Balance June 30, 2022	$0

The carryover amount in the Capital Acquisition Reserve is limited to the balance of the offsets attributed to bond or tax levy proceeds. The School District is responsible for tracking the amount of the bond proceeds that may be used as an offset in future periods, which was $0 at June 30, 2022.

NOTE 17 – INTERFUND ACTIVITY
Interfund Transfers

Transfers made during the year ended June 30, 2022, were as follows:

Fund	Transfer From	Transfer To
Major Fund		
General	$ 193,000	$ -
Non-Major Funds		
Advisor Salaries	-	21,000
District Managed Student Activities	-	172,000
Total Non-Major Funds	-	193,000
Total	$ 193,000	$ 193,000

NOTE 17 – INTERFUND ACTIVITY (Continued)

Transfers were made from the General Fund to move unrestricted balances to support programs and projects accounted for in the Advisor Salaries, and District Managed Student Activities Funds.

Interfund Advances

Funds	Interfund Receivable	Interfund Payable
Major Fund:		
General	$ 199,109	$ -
ESSER	-	66,186
Non-major Funds:		
District Managed Activities	-	63,500
High Schools That Work	-	2,196
Title VI B	-	44,524
IDEA Preschool	-	9,240
Title I	-	13,463
Total Non-major Funds	-	132,923
Total	$ 199,109	$ 199,109

The amounts due to the General Fund are the result of the School District moving unrestricted monies to support grant funds and the district managed activities fund. The General Fund will be reimbursed when funds become available in the various special revenue funds.

NOTE 18 – ACCOUNTABILITY

At June 30, 2022, the District Managed Student Activities, HSTW, ESSER, Title VI-B, Title I, and IDEA Preschool Grant Funds had fund balance deficits of $10,372, $2,198, $164,098, $64,422, $37,941, and $9,239, respectively which were created by the application of accounting principles generally accepted in the United States of America. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 19 – FUND BALANCES

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

Fund Balances	General	Bond Retirement	ESSER	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable					
Prepaid Items	$ 8,012	$ -	$ -	$ -	$ 8,012
Restricted for					
Food Service Operations	-	-	-	354,340	354,340
Other Purposes	-	-	-	97,372	97,372
Student Wellness	-	-	-	36,299	36,299
Capital Improvements	-	-	-	54,533	54,533
Debt Services Payments	-	310,386	-	-	310,386
Classroom Maintenance	-	-	-	69,406	69,406
Total Restricted	-	310,386	-	611,950	922,336
Assigned to					
Other Purposes	726,849	-	-	-	726,849
Total Assigned	726,849	-	-	-	726,849
Unassigned (Deficit)	2,386,511	-	(164,098)	(124,172)	2,098,241
Total Fund Balances	$ 3,121,372	$ 310,386	$ (164,098)	$ 487,778	$ 3,755,438

NOTE 20 – COMMITMENTS

Encumbrances

At June 30, 2022, the School District had significant encumbrance commitments in the following governmental funds:

Fund	Amount
Major Fund:	
General	$287,276
ESSER	823,456
Non-Major Fund:	
Classroom Fac Maint	51,069
Title VI - B	47,347
Total Non-Major Fund	98,416
Total Encumbrances	$1,209,148

NOTE 21 – OTHER MATTERS OF POTENTIAL SIGNIFICANCE

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

Additional funding has been made available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020, and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

NOTE 22 - NEW ACCOUNTING PRINCIPLES

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

GASB Statement No. 87 and GASB Implementation Guide 2019-3 enhance the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The School District implemented these changes; however, the implementation did not have any impact on beginning net position of the School District.

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. GASB Statement No. 89 requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the

NOTE 22 - NEW ACCOUNTING PRINCIPLES (continued)

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

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

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

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

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

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

Bethel-Tate Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
Last Nine Years (1)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.0663048%	0.0632323%	0.0627897%	0.0682233%	0.0620185%	0.0653236%	0.0636764%	0.0675530%	0.0675530%
School District's proportionate share of the net pension liability	$ 2,446,455	$ 4,182,318	$ 3,756,818	$ 3,907,275	$ 3,705,468	$ 4,781,085	$ 3,633,437	$ 3,418,819	$ 4,017,160
School District's covered payroll	$ 2,288,671	$ 2,216,786	$ 2,154,074	$ 2,196,326	$ 2,028,707	$ 1,916,935	$ 1,962,951	$ 2,011,770	$ 1,819,665
School District's proportionate share of the net pension liability as a percentage of its covered payroll	106.89%	188.67%	174.41%	177.90%	182.65%	249.41%	185.10%	169.94%	220.76%
Plan fiduciary net position as a percentage of the total pension liability	82.86%	68.55%	70.85%	71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2014 is not available.
Amounts presented as of the School District's measurement date which is the prior fiscal year.

See notes to accompanying required supplementary information.

Bethel-Tate Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Nine Years (1)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.055702015%	0.05694220%	0.05744586%	0.05665004%	0.05459456%	0.05844063%	0.06237852%	0.06167997%	0.06167997%
School District's proportionate share of the net pension liability	$ 7,122,003	$ 13,777,986	$ 12,703,807	$ 12,456,072	$ 12,969,055	$ 19,561,840	$ 17,239,598	$ 15,002,703	$ 17,871,122
School District's covered payroll	$ 6,873,264	$ 6,909,050	$ 6,744,364	$ 6,441,493	$ 6,002,000	$ 6,149,079	$ 6,508,157	$ 6,302,177	$ 7,165,200
School District's proportionate share of the net pension liability as a percentage of its covered payroll	103.62%	199.42%	188.36%	193.37%	216.08%	318.13%	264.89%	238.06%	249.42%
Plan fiduciary net position as a percentage of the total pension liability	87.78%	75.48%	77.40%	77.31%	75.29%	66.78%	72.09%	74.71%	69.30%

(1) Information prior to 2014 is not available.
Amounts presented as of the School District's measurement date which is the prior fiscal year.

See notes to accompanying required supplementary information.

Bethel-Tate Local School District

Required Supplementary Information

Schedule of School District Pension Contributions

School Employees Retirement System of Ohio

Last Ten Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	$ 327,569	$ 320,414	$ 310,350	$ 290,800	$ 296,504	$ 290,952	$ 284,019	$ 252,652	$ 272,065	$ 278,429
Contributions in relation to the contractually required contribution	(327,569)	(320,414)	(310,350)	(290,800)	(296,504)	(290,952)	(284,019)	(252,652)	(272,065)	(208,547)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 69,882
School District's covered payroll	$ 2,339,779	$ 2,288,671	$ 2,216,786	$ 2,154,074	$ 2,196,326	$ 2,028,707	$ 1,916,935	$ 1,962,951	$ 2,011,770	$ 1,819,665
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%	14.00%	14.00%	14.82%	12.87%	13.52%	11.46%

See notes to accompanying required supplementary information.

Bethel-Tate Local School District
Required Supplementary Information
Schedule of School District Pension Contributions
State Teachers Retirement System of Ohio
Last Ten Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	$ 972,062	$ 962,257	$ 967,267	$ 944,211	$ 901,809	$ 840,280	$ 860,871	$ 911,142	$ 819,283	$ 931,476
Contributions in relation to the contractually required contribution	(972,062)	(962,257)	(967,267)	(944,211)	(901,809)	(840,280)	(860,871)	(911,142)	(819,283)	(931,476)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District covered payroll	$ 6,943,300	$ 6,873,264	$ 6,909,050	$ 6,744,364	$ 6,441,493	$ 6,002,000	$ 6,149,079	$ 6,508,157	$ 6,302,177	$ 7,165,200
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%

See notes to accompanying required supplementary information.

Bethel-Tate Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
Last Six Years (1)

	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB liability	0.0676561%	0.0651817%	0.0638601%	0.0686429%	0.0627351%	0.0660036%
School District's proportionate share of the net OPEB liability	$ 1,280,447	$ 1,416,612	$ 1,605,947	$ 1,904,339	$ 1,683,645	$ 1,881,347
School District's covered payroll	$ 2,288,671	$ 2,216,786	$ 2,154,074	$ 2,196,326	$ 2,028,707	$ 1,916,935
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	55.95%	63.90%	74.55%	86.71%	82.99%	98.14%
Plan fiduciary net position as a percentage of the total OPEB liability	24.08%	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available.

See notes to accompanying required supplementary information.

Bethel-Tate Local School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Six Years (1)

	2022	2021	2020	2019	2018	2017
School District's proportion of the net OPEB liability (asset)	0.055702015%	0.05694220%	0.05744586%	0.05665004%	0.05459456%	0.05844063%
School District's proportionate share of the net OPEB liability (asset)	$ (1,174,431)	$ (1,000,758)	$ (951,441)	$ (910,308)	$ 2,130,078	$ 3,125,420
School District's covered payroll	$ 6,873,264	$ 6,909,050	$ 6,744,364	$ 6,441,493	$ 6,002,000	$ 6,149,079
School District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-17.09%	-14.48%	-14.11%	-14.13%	35.49%	50.83%
Plan fiduciary net position as a percentage of the total OPEB liability	174.73%	182.13%	174.74%	176.00%	47.11%	37.33%

(1) Information prior to 2017 is not available.

See notes to accompanying required supplementary information.

Bethel-Tate Local School District
Required Supplementary Information
Schedule of School District OPEB Contributions
School Employees Retirement System of Ohio
Last Seven Years (1)

	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 38,592	$ 40,171	$ 39,820	$ 47,462	$ 44,247	$ 33,270	$ 32,563
Contributions in relation to the contractually required contribution	(38,592)	(40,171)	(39,820)	(47,462)	(44,247)	(33,270)	(32,563)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District's covered payroll	$ 2,339,779	$ 2,288,671	$ 2,216,786	$ 2,154,074	$ 2,196,326	$ 2,028,707	$ 1,916,935
Contributions as a percentage of covered payroll	1.65%	1.76%	1.80%	2.20%	2.01%	1.64%	1.70%

(1) Information prior to 2016 is not available.

See notes to accompanying required supplementary information.

Bethel-Tate Local School District
Required Supplementary Information
Schedule of School District OPEB Contributions
State Teachers Retirement System of Ohio
Last Seven Years (1)

	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District covered-employee payroll	$ 6,943,300	$ 6,873,264	$ 6,909,050	$ 6,744,364	$ 6,441,493	$ 6,002,000	$ 6,149,079
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(1) Information prior to 2016 is not available.

See notes to accompanying required supplementary information.

Pension

School Employees Retirement System (SERS)

Changes in benefit terms

2020-2022: There were no changes in benefit terms from the amounts reported for this fiscal year.

2019: With the authority granted the Board under Senate Bill 8, the Board has enacted a three-year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2018: SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changed in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in assumptions

2022: The assumed rate of inflation was reduced from 3.00% to 2.40%, the assumed real wage growth was increased from 0.50% to 0.85%, the cost-of-living adjustments were reduced from 2.50% to 2.00%, the discount rate was reduced from 7.50% to 7.00%, the rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries and disabled members were updated.

2018-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

2017: The following changes of assumptions affected the total pension liability since the prior measurement date:

(1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
(2) Payroll growth assumption was reduced from 4.00% to 3.50%,
(3) Assumed real wage growth was reduced from 0.75% to 0.50%,
(4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
(5) 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,
(6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates,
(7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, and
(8) The discount rate was reduced from 7.75% to 7.50%.

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

State Teachers Retirement System (STRS)

Changes in benefit terms

2019-2022: There were no changes in benefit terms from the amounts reported for these fiscal years.

2018: STRS decreased the Cost of Living Adjustment (COLA) to zero.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

Pension (continued)

School Employees Retirement System (SERS) (continued)

Changes in assumptions

2019-2022: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

2018: The following changes of assumptions affected the total pension liability since the prior measurement date:

(1) The long term expected rate of return was reduced from 7.75% to 7.45%,
(2) The inflation assumption was lowered from 2.75% to 2.50%,
(3) The payroll growth assumption was lowered to 3.00%,
(4) Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation,
(5) The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016, and
(6) Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

OPEB

School Employees Retirement System (SERS)

Changes in benefit terms

2017-2022: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in assumptions

2022 Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) The discount rate was changed from 2.63% to 2.27%
(2) Municipal Bond Index Rate:
    Prior Measurement Date 2.45%
    Measurement Date 1.92%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
    Prior Measurement Date 2.63%
    Measurement Date 2.27%

2021: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) The discount rate was changed from 3.22% to 2.63%
(2) Municipal Bond Index Rate:
    Prior Measurement Date 3.13%
    Measurement Date 2.45%

2020: The discount rate was changed from 3.70% to 3.22%

OPEB (continued)

School Employees Retirement System (SERS) (continued)

Changes in assumptions (continued)

2019: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) The discount rate was changed from 3.63% to 3.70%
(2) Municipal Bond Index Rate:
  Prior Measurement Date 3.56%
  Measurement Date 3.62%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  Prior Measurement Date 3.63%
  Measurement Date 3.70%

2018: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
  Fiscal Year 2018 3.63%
  Fiscal Year 2017 2.98%
(2) Municipal Bond Index Rate:
  Fiscal Year 2018 3.56%
  Fiscal Year 2017 2.92%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  Fiscal Year 2018 3.63%
  Fiscal Year 2017 2.98%

2017: The following changes of assumptions affected the total OPEB liability since the prior measurement date:

(1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
(2) Payroll growth assumption was reduced from 4.00% to 3.50%,
(3) Assumed real wage growth was reduced from 0.75% to 0.50%,
(4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
(5) 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,
(6) Mortality among service retired members, and beneficiaries was updated to the following RP- 2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, and
(7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

State Teachers Retirement System (STRS)

Changes in benefit terms

2022: There was no change to the claims costs process. The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

OPEB (continued)

State Teachers Retirement System (STRS) (Continued)

Changes in benefit terms (continued)

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

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% to 1.984% 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% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

2019: The subsidy multiplier for non-Medicare benefit recipients was increased from 1.900% to 1.944% 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. The Board is extending the current Medicare Part B partial reimbursement program for one year. Under this program, benefit recipients currently enrolled in the STRS Ohio Health Care Program and Medicare Part B receive $29.90 per month to reimburse a portion of the Medicare Part B premium. The reimbursement was set to be reduced to $0 beginning January 1, 2020. This impacts about 85,000 benefit recipients.

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 1, 2019.

2017: There were no changes in benefit terms from the amounts reported for this fiscal year.

Changes in assumptions

2022: The discount rate was reduced from 7.45% in the prior year to 7.00% in the current year.

2020-2021: There were no changes in assumptions since the prior measurement date of June 30, 2019.

2019: The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Valuation year per capita health care costs were updated.

2018: The discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to7.45 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.

2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

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BETHEL-TATE LOCAL SCHOOL DISTRICT
CLERMONT COUNTY

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

FEDERAL GRANTOR ***Pass Through Grantor*** **Program/Cluster Title**	**Assistance Listing 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	3L60	$ 57,793
Cash Assistance:			
National School Breakfast Program	10.553	3L70	247,166
National School Lunch Program	10.555	3L60	285,564
COVID-19 National School Lunch Program	10.555	3L60	59,930
Total Child Nutrition Cluster			650,453
COVID-19 State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	3HF0	614
Total U.S. Department of Agriculture			**651,067**
U.S. Department of Treasury			
Passed Through Ohio Department of Education			
COVID19 - Coronavirus Relief Fund - BroadbandOhio Connectivity	21.019		64,536
Total U.S. Department of Treasury			**64,536**
U.S. Department of Education			
Passed Through Ohio Department of Education			
Special Education Cluster:			
COVID19 - ARP - IDEA Part B	84.027X	3M20-2022	15,197
IDEA Part B	84.027	3M20-2021	51,017
IDEA Part B	84.027	3M20-2022	306,379
COVID19 - ARP - Special Education - Preschool Grants	84.173X	3C50-2022	4,340
Special Education - Preschool Grants	84.173	3C50-2022	6,422
Total Special Education Cluster			**383,355**
Title I Grants to Local Educational Agencies	84.010	3M00-2021	34,637
Title I Grants to Local Educational Agencies	84.010	3M00-2022	236,728
Title I Grants to Local Educational Agencies	84.010	3M00-2021	8,288
Total Title I			**279,653**
Title IIA - Improving Teacher Quality	84.367	3Y60-2022	50,048
Student Support and Academic Enrichment	84.424	3HI0	9,181
COVID - 19 Elementary and Secondary School Emergency Relief Fund	84.425D	3HSO	607,362
COVID - 19 Elementary and Secondary School Emergency Relief Fund	84.425U	3HSO	505,105
COVID - 19 ARP Homeless Children and Youth	84.425U	3HZO	985
Total Elementary and Secondary School Emergency Relief Fund			**1,113,452**
Total U.S. Department of Education			**1,835,689**
Federal Communications Commission			
Direct Program			
Emergency Connectivity Fund Program	32.009	N/A	166,858
Total Expenditures of Federal Awards			**$ 2,718,150**

The accompanying notes are an integral part of this schedule.

BETHEL-TATE LOCAL SCHOOL DISTRICT
CLERMONT COUNTY

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Bethel-Tate Local School District (the District) under programs of the federal government for the year ended June 30, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

OHIO AUDITOR OF STATE
KEITH FABER

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

Bethel-Tate Local School District
Clermont County
675 West Plane St.
Bethel, Ohio 45106

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bethel-Tate Local School District, Clermont County, (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 21, 2023. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

District's Response to Finding

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

Purpose of This Report

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

Keith Faber
Auditor of State
Columbus, Ohio
March 21, 2023

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

Bethel-Tate Local School District
Clermont County
675 West Plane St.
Bethel, Ohio 45106

To the Board of Education:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Bethel-Tate Local School District's, Clermont County, (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Bethel-Tate Local School District's major federal program for the year ended June 30, 2022. Bethel-Tate Local School District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Bethel-Tate Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor’s Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

March 21, 2023

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SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	Yes
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	84.425D and 84.425U- Elementary and Secondary School Emergency Relief (ESSER)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

FINDING NUMBER 2022-001

Material Weakness

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

FINDING NUMBER 2022-001
(Continued)

Due to deficiencies in the District's internal controls over financial reporting, we identified the following misstatements to the financial statements:

- The Emergency Connectivity Fund federal grant receipts and expenditures were not recorded in the accounting system in Fund 599 in the amount of $166,858;

- Accounts Payable was understated in the ESSER Fund in the amount of $85,244;

- Intergovernmental Receivable was overstated for Other Governmental Funds in the amount of $594,521 and in the ESSER Fund by $1,014,764;

- Unavailable Revenue was overstated in the Other Governmental funds in the amount of $602,331 and in the ESSER fund by $1,075,744;

- Intergovernmental Revenue was understated in the Other Governmental Funds in the amount of $7,810 and in the ESSER Fund by $60,980;

- Intergovernmental Receivable and Intergovernmental Revenue were overstated for Governmental Activities in the amount of $1,609,285.

Adjustments, with which management has agreed, have been included in the accompanying financial statements to correct these misstatements. In addition to the adjustments listed above, we also identified additional immaterial misstatements ranging from $25,444 to $59,991 that we have brought to the District's attention. Failure to properly record financial activity results in misstatements in the financial statements. We recommend the District implement procedures to review financial information posted to the accounting records and to the annual financial statements to ensure all activity is included and all amounts are posted and reported accurately.

Officials' Response:

There were substantial changes in how the Ohio Department of Education treated grants in fiscal year 2022. Our compiler of our financial statements hadn't incorporated all of these changes which resulted in the findings related to intergovernmental revenue, intergovernmental receivable, and deferred Inflows of resources. Our compiler and we discussed the findings and have taken steps to properly report this information in our financial statements in the future.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

Bethel-Tate Local School District

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Bethel, Ohio 45106
(513) 734-2271 Fax (513) 734-4792
Web Site: www.betheltate.org

Melissa Kircher
Superintendent

Karen R Royer
Treasurer/CFO/CHRS

CORRECTIVE ACTION PLAN

2 CFR § 200.511(c)

JUNE 30, 2022

Finding Number: 2022-001

Planned Corrective Action:

There were substantial changes in how the Ohio Department of Education treated grants in fiscal year 2022. Our compiler of our financial statements hadn't incorporated all of these changes which resulted in the findings related to intergovernmental revenue, intergovernmental receivable, and deferred Inflows of resources. Our compiler and we discussed the findings and have taken steps to properly report this information in our financial statements in the future.

Anticipated Completion Date: 03/31/2023

Responsible Contact Person: Karen Royer

OHIO AUDITOR OF STATE
KEITH FABER

BETHEL-TATE LOCAL SCHOOL DISTRICT

CLERMONT COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/30/2023

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