OHIO AUDITOR OF STATE
KEITH FABER

WASHINGTON COUNTY CAREER CENTER
WASHINGTON COUNTY
JUNE 30, 2021

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OHIO AUDITOR OF STATE
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INDEPENDENT AUDITOR'S REPORT

Washington County Career Center
Washington County
21740 State Route 676
Marietta, Ohio 45750

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington County Career Center, Washington County, Ohio (the Career Center), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Career Center's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Career Center, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 22 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Career Center. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis* and Schedules of Net Pension and Other Post-employment Benefit Liabilities and Pension and Other Post-employment Benefit Contributions listed in the Table of Contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

The Schedule of Expenditures of Federal Awards (the Schedule) presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021, on our consideration of the Career Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Career Center's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2021

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The discussion and analysis of the Washington County Career Center's financial performance provides an overall review of the Career Center's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the Career Center's financial performance as a whole; readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Career Center's financial performance.

Financial Highlights

Key financial highlights for the fiscal year 2021 are as follows**:**

- In total, net position increased $604,991. Net position of governmental activities increased $713,075 and the business-type activity decreased $108,084 from 2020.

- General revenues accounted for $6,529,186 in revenue or 73% of all revenues for governmental activities. Program specific revenues in the form of charges for services and sales, grants, contributions, and interest accounted for $2,392,375 or 27% of total revenues of $8,921,561

- Total program expenses were $11,200,619; $8,208,486 in governmental activities and $2,992,133 in the business-type activity.

Using this Annual Financial Report

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole Career Center, presenting both an aggregate view of the Career Center's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Career Center's most significant funds with all other non-major funds presented in total in one column.

Reporting the Career Center as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the large number of funds used by the Career Center to provide programs and activities for students, the view of the Career Center as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2021?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the Career Center is divided into two kinds of activities:

> Governmental Activities - Most of the Career Center's programs and services are reported here including instruction, support services, operation and maintenance of plant, and extracurricular activities.
>
> Business-Type Activities - These services are provided on a charge for goods or services basis to recover all of the expenses of the good or services provided. The Career Center's adult education programs are reported as its business-type activity.

Reporting the Career Center's Most Significant Funds

Fund Financial Statements

The analysis of the Career Center's major funds begins on page 11. Fund financial reports provide detailed information about the Career Center's major fund. The Career Center uses many funds to account for a multiple of financial transactions. However, these fund financial statements focus on the Career Center's most significant funds. The Career Center's only major governmental fund is the General Fund.

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

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities (Adult Education); therefore, these statements will essentially match.

The Career Center as a Whole

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

(Table 1)
Net Position

	Governmental Activities		Business-Type Activity		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and Other Assets	$13,462,085	$12,312,987	$1,554,970	$1,600,734	$15,017,055	$13,913,721
Capital Assets, Net	6,303,388	6,155,277	683,361	719,278	6,986,749	6,874,555
Total Assets	19,765,473	18,468,264	2,238,331	2,320,012	22,003,804	20,788,276
Deferred Outflows of Resources						
Pension	1,580,757	1,726,464	605,362	567,894	1,744,903	1,760,048
OPEB	227,888	176,837	130,016	124,358	349,024	301,195
Total Deferred Outflows of Resources	1,808,645	1,903,301	735,378	692,252	2,093,927	2,061,243
Liabilities						
Current and Other Liabilities	1,036,710	677,084	62,707	95,295	1,099,417	772,379
Long-term Liabilities:						
Due Within One Year	46,343	0	0	0	46,343	0
Due in More Than One Year:						
Net Pension Liability	7,028,930	6,855,640	2,449,699	2,174,331	9,478,629	9,029,971
Net OPEB Liability	509,819	565,460	262,634	332,096	772,453	897,556
Other Amounts	1,836,318	1,841,362	87,471	51,419	1,923,789	1,892,781
Total Liabilities	10,458,120	9,939,546	2,862,511	2,653,141	13,320,631	12,592,687
Deferred Inflows of Resources						
Property Taxes	2,924,511	2,988,970	0	0	2,924,511	2,988,970
Pension	591,032	595,094	241,190	469,638	391,006	530,422
OPEB	843,376	803,951	325,212	236,605	1,159,708	1,040,556
Total Deferred Inflows of Resoucres	4,358,919	4,388,015	566,402	706,243	4,475,225	4,559,948
Net Position						
Net Investment in Capital Assets	4,961,538	4,896,721	683,361	719,278	5,644,899	5,615,999
Restricted	1,347,480	1,306,984	0	0	1,347,480	1,306,984
Unrestricted (Deficits)	448,061	(159,701)	(1,138,565)	(1,066,398)	(690,504)	(1,226,099)
Total Net Position	$6,757,079	$6,044,004	($455,204)	($347,120)	$6,301,875	$5,696,884

The net pension liability (NPL) is the largest single liability reported by the Career Center at June 30, 2021. 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 Career Center 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.

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

Total assets increased $1,215,528, with governmental assets increasing $1,297,209 and the business-type assets decreased $81,681. For governmental activities, cash and cash equivalents increased $1,031,311 as well as investments with fiscal agents in the amount of $96,079. Governmental activities also had a net OPEB asset at June 30, 2021, of $393,043. Capital assets also increased $148,11 with the completion of building improvements. The significant changes in the business-type assets are the capital assets, which decreased $35,917, and the cash and cash equivalents with an increase of $304,102. Business-type activities also had a net OPEB asset of $117,403 at June 30, 2021.

Total liabilities increased $727,944, with governmental liabilities increasing $518,574 while the business-type activity liabilities increased $209,370. For governmental activities, current and other liabilities reported an increase of $359,626. Governmental net pension liability increased $173,290, the OPEB liability decreased $55,641, as well as other long-term liabilities of $5,044. For the business-type activity, current and other liabilities decreased $32,588. Business-type net pension liability increased $275,368, the OPEB liability decreased $69,462, while the other long-term liabilities increased $36,052.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2021 and 2020.

(Table 2)
Changes in Net Position

	Governmental Activities		Business-Type Activity		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues:						
Charges for Services and Sales	$359,941	$240,150	$1,493,244	$1,288,299	$1,853,185	$1,528,449
Operating Grants, Contributions and Interest	2,032,434	1,513,263	1,157,667	784,396	3,190,101	2,297,659
Capital Grants	0	0	26,078	0	26,078	0
Total Program Revenues	2,392,375	1,753,413	2,676,989	2,072,695	5,069,364	3,826,108
General Revenues:						
Property Taxes	2,732,410	2,732,076	0	0	2,732,410	2,732,076
Grants and Entitlements	3,498,881	3,501,531	0	0	3,498,881	3,501,531
Interest	235,055	226,814	0	0	235,055	226,814
Gifts and Donations	100	1,130	0	0	100	1,130
Gain on Sale of Capital Assets	17,186	4,131	0	437	17,186	4,568
Miscellaneous	45,554	36,315	207,060	5,705	252,614	42,020
Total General Revenues	6,529,186	6,501,997	207,060	6,142	6,736,246	6,508,139
Total Revenues	8,921,561	8,255,410	2,884,049	2,078,837	11,805,610	10,334,247
Program Expenses						
Instruction:						
Regular	1,289,811	1,124,765	0	0	1,289,811	1,124,765
Vocational	2,940,260	2,910,462	0	0	2,940,260	2,910,462
Adult/Continuing	255,337	252,343	0	0	255,337	252,343
Support Services:						
Pupils	469,111	418,242	0	0	469,111	418,242
Instructional Staff	359,608	423,542	0	0	359,608	423,542
Board of Education	21,073	30,451	0	0	21,073	30,451
Administration	680,791	629,397	0	0	680,791	629,397
Fiscal	383,072	388,671	0	0	383,072	388,671
Business	2,527	2,853	0	0	2,527	2,853
Operation and Maintenance of Plant	744,937	714,702	0	0	744,937	714,702
Central	417,437	460,488	0	0	417,437	460,488
Operation of Non-Instructional Services:						
Community Services	348,121	336,095	0	0	348,121	336,095
Food Service Operations	251,021	196,212	0	0	251,021	196,212
Extracurricular Activities	45,380	47,241	0	0	45,380	47,241
Interest and Fiscal Charges	0	15,498	0	0	0	15,498
Adult Education	0	0	2,992,133	1,941,496	2,992,133	1,941,496
Total Expenses	8,208,486	7,950,962	2,992,133	1,941,496	11,200,619	9,892,458
Change in Net Position	713,075	304,448	(108,084)	137,341	604,991	441,789
Net Position (Deficit) Beginning of Year	6,044,004	5,739,556	(347,120)	(484,461)	5,696,884	5,255,095
Net Position (Deficit) End of Year	$6,757,079	$6,044,004	($455,204)	($347,120)	$6,301,875	$5,696,884

Governmental Activities

Net position of the Career Center's governmental activities increased $713,075 in fiscal year 2021. Total governmental expenses of $8,208,486 were under the program revenues of $2,392,375 and general revenues of $6,529,186.

The primary sources of revenue for the Career Center are derived from property taxes and grants/entitlements not restricted to specific programs. These two revenue sources represent 70 percent of the total revenue. The remaining 30 percent of revenue is from program revenues, interest, donations, gains on the sale of capital assets, and miscellaneous sources.

Program revenues did not experience any significant changes during the fiscal year.

Business-Type Activity

The business-type activity involves the Career Center's adult education program. This program had revenues of $2,884,049 and expenses of $2,992,133 for fiscal year 2021. The expenses of this program increased by $1,050,637 from 2020. The biggest changes in revenues were in operating grants and miscellaneous revenue. The operating grants increased $373,271 due to dollars received from the Corona Virus Relief monies. Miscellaneous revenues increased $201,355 due to refunds of workers' compensation.

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

(Table 3)
Governmental Activities

	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
Program Expenses				
Instruction:				
Regular	$1,289,811	$1,239,043	$1,124,765	$1,124,765
Vocational	2,940,260	1,916,437	2,910,462	2,383,505
Adult/Continuing	255,337	155,687	252,343	125,973
Support Services:				
Pupils	469,111	125,909	418,242	172,193
Instructional Staff	359,608	206,684	423,542	289,182
Board of Education	21,073	21,073	30,451	30,451
Administration	680,791	678,830	629,397	629,397
Fiscal	383,072	383,072	388,671	388,671
Business	2,527	2,527	2,853	2,853
Operation and Maintenance of Plant	744,937	665,643	714,702	714,702
Central	417,437	410,244	460,488	398,259
Operation of Non-Instructional Services:				
Community Services	348,121	(481)	336,095	(98,819)
Food Service Operations	251,021	(2,801)	196,212	2,187
Extracurricular Activities	45,380	14,244	47,241	18,732
Interest and Fiscal Charges	0	0	15,498	15,498
Total	$8,208,486	$5,816,111	$7,950,962	$6,197,549

As you can see, the reliance on local tax revenues and grants and entitlements not restricted to specific programs for governmental activities is crucial. Nearly 33 percent of expenses are directly supported by local property taxes. Grants and entitlements not restricted to specific programs supported just over 43 percent of expenses, while program revenues, investments, and other miscellaneous types of revenues supported the remaining activity costs. As you can see from Table 3, community services and food service operations are the only self-supporting programs, meaning that no general revenues are necessary to supplement these activities.

The Career Center Funds

The Career Center's governmental funds reported a combined fund balance of $8,980,829, an increase of $834,803 from fiscal year 2020. All governmental funds had total revenues of $8,847,625 and expenditures of $8,030,877. The Career Center's major governmental fund is accounted for using the modified accrual basis of accounting. The fund balance of the General Fund increased $432,179.

General Fund Budgeting Highlights

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

During the course of fiscal 2021, the Career Center amended its General Fund budget, but not significantly. The Career Center uses a modified site-based budgeting technique which is designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, cash basis revenue was $7,076,961, $437,767 above estimates of $6,639,194. Original estimated revenues were increased by $489 throughout the fiscal year. Expenditures of $6,220,711 were lower than final appropriations of $6,991,875 primarily in the regular and vocational instruction and operation and maintenance of plant areas. Final appropriations were increased $322,599 over original appropriations in mainly the regular instruction and operation and maintenance of plant areas.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2021, the Career Center had $6,986,749 invested in land, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2021 balances compared to 2020.

(Table 4)
Capital Assets at June 30 (Net of Depreciation)

	Governmental Activities		Business-Type Activity		Total	
	2021	2020	2021	2020	2021	2020
Land	$88,979	$89,120	$0	$0	$88,979	$89,120
Construction in Progress	166,693	75,539	0	0	166,693	75,539
Buildings and Improvements	4,774,012	4,754,271	447,480	480,657	5,221,492	5,234,928
Furniture and Equipment	1,259,794	1,221,151	110,725	106,769	1,370,519	1,327,920
Vehicles	13,910	15,196	125,156	131,852	139,066	147,048
Totals	$6,303,388	$6,155,277	$683,361	$719,278	$6,986,749	$6,874,555

See Note 11 to the basic financial statements for more information on capital assets.

Debt

The Career Center has one bond outstanding at fiscal year end. See Note 16 to the basic financial statements for more information on debt. The net pension and OPEB liabilities under GASB 68 and 75 are also reported as long-term obligations that have been previously discussed within this management's discussion and analysis. The business-type activity has no debt.

Current Issues

The Washington County Career Center receives 58.97% of it's funding for the Center from State dollars which is very beneficial to the overall operations for the education of our students.

The Career Center administration is grateful for the changes in the current state budget HB110, as it has reduced the amount that was deducted for programs that were not within the Center's control. However, future State budgets funding will need to be watched since, the full amount of the Fair School Funding Plan was not totally implemented with this budget and there is no guarantee for future increases in State budgets for fiscal years 2042 through 2026.

The Career Center administration will be able to plan for the future needs of our students with the financial stability obtained with the current State budget, but we will also need to be mindful that there are many risks and uncertainties that will need to be considered in future planning,

The Career Center also realizes that there has been record enrollment for the past two years with no additional funding for those students which will cause many decisions to be made for the education of our students and may erode the cash balance of the Center if there is no new State funding for the increase in students. Since HB110 funding is now based on where the student is enrolled, we should see a slight increase for the number of students that are included in the programs.

The Career Center's systems of budgeting and internal controls are well regarded. The Career Center's healthy financial reserves will help the Career Center continue to serve its mission, despite the continued deterioration of regional, State, national, and international economic health. The Career Center's focus on sustainability has resulted in the Career Center maintaining solid finances, while improving facilities and overall academic achievement.

Contacting the Career Center's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the Career Center's finances and to show the Career Center's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Joseph O. Crone, Treasurer at the Washington County Career Center, 21740 SR 676, Marietta, Ohio 45750, or e-mail at jcrone@thecareercenter.net.

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Washington County Career Center, Ohio

Statement of Net Position

June 30, 2021

	Governmental Activities	Business-Type Activity	Total*
Assets			
Equity in Pooled Cash and Cash Equivalents	$8,557,382	$1,334,224	$9,891,606
Investments with Fiscal Agents	1,142,126	0	1,142,126
Inventory Held for Resale	1,542	0	1,542
Materials and Supplies Inventory	13,538	27,684	41,222
Intergovernmental Receivable	118,711	51,953	170,664
Prepaid Items	19,190	9,626	28,816
Accounts Receivable	58,929	14,080	73,009
Property Taxes Receivable	3,157,624	0	3,157,624
Nondepreciable Capital Assets	255,672	0	255,672
Depreciable Capital Assets, Net	6,047,716	683,361	6,731,077
Net OPEB Asset	393,043	117,403	510,446
Total Assets	19,765,473	2,238,331	22,003,804
Deferred Outflows of Resources			
Pension	1,580,757	605,362	1,787,565
OPEB	227,888	130,016	299,279
Total Deferrred Outflows of Resources	1,808,645	735,378	2,086,844
Liabilities			
Accounts Payable	154,150	23,442	177,592
Contracts Payable	108,171	0	108,171
Accrued Wages and Benefits Payable	516,830	24,601	541,431
Vacation Benefits Payable	106,043	8,456	114,499
Matured Compensated Absences Payable	31,927	0	31,927
Retainage Payable	8,679	0	8,679
Intergovernmental Payable	110,910	6,208	117,118
Long-Term Liabilities:			
Due Within One	46,343	0	46,343
Due in More Than One Year:			
Net Pension Liability	7,028,930	2,449,699	9,478,629
Net OPEB Liability	509,819	262,634	772,453
Other Amounts Due in More Than one Year	1,836,318	87,471	1,923,789
Total Liabilities	10,458,120	2,862,511	13,320,631
Deferred Inflows of Resources			
Property Taxes	2,924,511	0	2,924,511
Pension	591,032	241,190	433,668
OPEB	843,376	325,212	1,109,963
Total Deferred Inflows of Resources	4,358,919	566,402	4,468,142
Net Position			
Net Investment in Capital Assets	4,961,538	683,361	5,644,899
Restricted for:			
Unclaimed Monies	2,512	0	2,512
Debt Service	955,486	0	955,486
Data Communication	1,800	0	1,800
Student Activities	80,218	0	80,218
Food Service Operations	127,355	0	127,355
Federal Programs	13,342	0	13,342
Local Programs	166,767	0	166,767
Unrestricted (Deficits)	448,061	(1,138,565)	(690,504)
Total Net Position	$6,757,079	($455,204)	$6,301,875

*After deferred inflows and deferred outflows related to the change in internal proportionate share of pension and OPEB related items have been eliminated.

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2021

		Program Revenues			Net (Expense)Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Contributions	Governmental Activities	Business-Type Activity	Total
Governmental Activities							
Instruction:							
Regular	$1,289,811	$0	$50,768	$0	($1,239,043)	$0	($1,239,043)
Vocational	2,940,260	296,375	727,448	0	(1,916,437)	0	(1,916,437)
Adult/Continuing	255,337	0	99,650	0	(155,687)	0	(155,687)
Support Services:							
Pupils	469,111	0	343,202	0	(125,909)	0	(125,909)
Instructional Staff	359,608	0	152,924	0	(206,684)	0	(206,684)
Board of Education	21,073	0	0	0	(21,073)	0	(21,073)
Administration	680,791	0	1,961	0	(678,830)	0	(678,830)
Fiscal	383,072	0	0	0	(383,072)	0	(383,072)
Business	2,527	0	0	0	(2,527)	0	(2,527)
Operation and Maintenance of Plant	744,937	0	79,294	0	(665,643)	0	(665,643)
Central	417,437	0	7,193	0	(410,244)	0	(410,244)
Operation of Non-Instructional Services:	348,121	0	318,116	0	(30,005)	0	(30,005)
Community Services	0	0	30,486	0	30,486	0	30,486
Food Service Operations	251,021	37,557	216,265	0	2,801	0	2,801
Extracurricular Activities	45,380	26,009	5,127	0	(14,244)	0	(14,244)
Total Governmental Activities	8,208,486	359,941	2,032,434	0	(5,816,111)	0	(5,816,111)
Business-Type Activity							
Adult Education	2,992,133	1,493,244	1,157,667	26,078	0	(315,144)	(315,144)
Totals	$11,200,619	$1,853,185	$3,190,101	$26,078	(5,816,111)	(315,144)	(6,131,255)
General Revenues							
Property Taxes Levied for General Purposes					2,732,410	0	2,732,410
Grants and Entitlements not Restricted to Specific Programs					3,498,881	0	3,498,881
Investment Earnings					235,055	0	235,055
Gifts and Donations					100	0	100
Gain on Sale of Capital Assets					17,186		17,186
Miscellaneous					45,554	207,060	252,614
Total General Revenues					6,529,186	207,060	6,736,246
Change in Net Position					713,075	(108,084)	604,991
Net Position (Deficit) Beginning of Year					6,044,004	(347,120)	5,696,884
Net Position (Deficit) End of Year					$6,757,079	($455,204)	$6,301,875

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	$7,034,882	$1,519,988	$8,554,870
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	2,512	0	2,512
Investments with Fiscal Agents	1,142,126	0	1,142,126
Receivables:			
Property Taxes	3,157,624	0	3,157,624
Accounts	58,929	0	58,929
Intergovernmental	9,506	109,205	118,711
Prepaid Items	19,145	45	19,190
Inventory Held for Resale	0	1,542	1,542
Materials and Supplies Inventory	12,560	978	13,538
Total Assets	$11,437,284	$1,631,758	$13,069,042
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	$93,124	$61,026	$154,150
Accrued Wages and Benefits Payable	490,271	26,559	516,830
Matured Compensated Absences Payable	31,927	0	31,927
Contracts Payable	3,356	104,815	108,171
Retainage Payable	0	8,679	8,679
Intergovernmental Payable	102,545	8,365	110,910
Total Liabilities	721,223	209,444	930,667
Deferred Inflows of Resources			
Property Taxes	2,924,511	0	2,924,511
Unavailable Revenue	166,261	66,774	233,035
Total Deferred Inflows of Resources	3,090,772	66,774	3,157,546
Fund Balances			
Nonspendable	34,217	1,023	35,240
Restricted	0	350,151	350,151
Committed	14,749	681,472	696,221
Assigned	28,801	360,017	388,818
Unassigned	7,547,522	(37,123)	7,510,399
Total Fund Balances	7,625,289	1,355,540	8,980,829
Total Liabilities and Fund Balances	$11,437,284	$1,631,758	$13,069,042

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

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

Total Governmental Fund Balances		$8,980,829
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.		6,303,388
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	165,901	
Intergovenmental Revenues	66,774	
Miscellaneous Revenues	360	233,035
Vacation Benefits Payable is recognized for earned vacation benefits that are to be used within one year but is not recognized on the Balance Sheet until due.		(106,043)
The net pension liability, net OPEB asset, and net OPEB liability are not due and payable in the current period; therefore, the assets, liability, and related deferred inflows/outflows are not reported in the funds:		
Net OPEB Asset	393,043	
Deferred Outflows - Pension	1,580,757	
Deferred Inflows - Pension	(591,032)	
Net Pension Liability	(7,028,930)	
Deferred Outflows - OPEB	227,888	
Deferred Inflows - OPEB	(843,376)	
Net OPEB Liability	(509,819)	(6,771,469)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Qualified Zone Academy Bonds	(1,225,000)	
Sick Leave Benefits Payable	(657,661)	(1,882,661)
Net Position of Governmental Activities		$6,757,079

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

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

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$2,733,331	$0	$2,733,331
Intergovernmental	3,917,120	1,162,808	5,079,928
Interest	235,055	100	235,155
Tuition and Fees	179,449	3,159	182,608
Customer Services	116,926	37,557	154,483
Extracurricular Activities	0	22,850	22,850
Gifts and Donations	100	393,976	394,076
Miscellaneous	31,891	13,303	45,194
Total Revenues	7,213,872	1,633,753	8,847,625
Expenditures			
Current:			
Instruction:			
Regular	1,110,653	44,146	1,154,799
Vocational	2,719,537	86,898	2,806,435
Adult/Continuing	0	227,087	227,087
Support Services:			
Pupils	130,183	330,163	460,346
Instructional Staff	277,568	92,517	370,085
Board of Education	21,073	0	21,073
Administration	595,929	1,705	597,634
Fiscal	363,781	0	363,781
Business	2,527	0	2,527
Operation and Maintenance of Plant	675,762	68,951	744,713
Central	387,539	4,689	392,228
Operation of Non-Instructional Services	0	348,121	348,121
Food Service Operations	0	252,710	252,710
Extracurricular Activities	5,196	33,761	38,957
Capital Outlay	0	250,381	250,381
Total Expenditures	6,289,748	1,741,129	8,030,877
Excess of Revenues Over (Under) Expenditures	924,124	(107,376)	816,748
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	18,055	0	18,055
Transfers In	0	510,000	510,000
Transfers Out	(510,000)	0	(510,000)
Total Other Financing Sources (Uses)	(491,945)	510,000	18,055
Net Change in Fund Balances	432,179	402,624	834,803
Fund Balances at Beginning of Year	7,193,110	952,916	8,146,026
Fund Balances End of Year	$7,625,289	$1,355,540	$8,980,829

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

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

For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds		$834,803
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 capital outlays exceeded depreciation:		
Capital Asset Additions	546,565	
Depreciation Expense	(397,585)	148,980
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(869)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent Property Taxes	(921)	
Intergovernmental Revenues	57,311	
Miscellaneous Revenues	360	56,750
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows:		
Pension	541,069	
OPEB	11,189	552,258
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liabilities are reported as pension/OPEB expense in the statement of activities:		
Pension	(856,004)	
OPEB	37,904	(818,100)
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.		
Vacation Benefits Payable	(19,448)	
Sick Leave Benefits Payable	(41,299)	(60,747)
Change in Net Position of Governmental Activities		$713,075

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

Statement of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual (Budget Basis)

General Fund

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$2,607,316	$2,607,316	$2,721,458	$114,142
Intergovernmental	3,607,557	3,607,557	3,900,037	292,480
Interest	180,000	180,000	207,104	27,104
Tuition and Fees	101,532	101,532	179,449	77,917
Customer Services	128,200	128,400	60,525	(67,875)
Gifts and Donations	500	500	100	(400)
Miscellaneous	13,600	13,889	8,288	(5,601)
Total Revenues	6,638,705	6,639,194	7,076,961	437,767
Expenditures				
Current:				
Instruction:				
Regular	1,065,439	1,143,994	1,070,289	73,705
Vocational	2,962,078	3,054,471	2,645,177	409,294
Support Services:				
Pupils	175,218	187,608	127,800	59,808
Instructional Staff	277,882	285,462	258,968	26,494
Board of Education	27,262	27,262	20,666	6,596
Administration	560,719	591,864	576,921	14,943
Fiscal	373,766	375,566	361,803	13,763
Business	3,600	3,600	2,831	769
Operation and Maintenance of Plant	699,205	772,759	684,589	88,170
Transportation	750	750	0	750
Central	410,638	435,820	398,222	37,598
Extracurricular Activities	6,000	6,000	5,196	804
Capital Outlay	38,470	38,470	0	38,470
Debt Service:				
Principal	68,249	68,249	68,249	0
Total Expenditures	6,669,276	6,991,875	6,220,711	771,164
Excess of Revenues Over (Under) Expenditures	(30,571)	(352,681)	856,250	1,208,931
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	3,000	2,800	18,055	15,255
Refund of Prior Year Expenditures	60,147	60,147	56,729	(3,418)
Transfers Out	(57,000)	(510,000)	(510,000)	0
Total Other Financing Sources (Uses)	6,147	(447,053)	(435,216)	11,837
Net Change in Fund Balance	(24,424)	(799,734)	421,034	1,220,768
Fund Balance Beginning of Year	6,456,171	6,456,171	6,456,171	0
Prior Year Encumbrances Appropriated	47,254	47,254	47,254	0
Fund Balance End of Year	$6,479,001	$5,703,691	$6,924,459	$1,220,768

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

Statement of Fund Net Position
Enterprise Fund
June 30, 2021

	Business-Type Activity Adult Education Fund
Assets	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	$1,334,224
Materials and Supplies Inventory	27,684
Intergovernmental Receivable	51,953
Prepaid Items	9,626
Accounts Receivable	14,080
Total Current Assets	1,437,567
Noncurrent Assets:	
Depreciable Capital Assets, net	683,361
Net OPEB Asset	117,403
Total Noncurrent Assets	800,764
Total Assets	2,238,331
Deferred Outflows of Resources	
Pension	605,362
OPEB	130,016
Total Deferred Outflows of Resources	735,378
Liabilities	
Current Liabilities:	
Accounts Payable	23,442
Accrued Wages and Benefits Payable	24,601
Intergovernmental Payable	6,208
Vacation Benefits Payable	8,456
Total Current Liabilities	62,707
Long-term Liabilities:	
Sick Leave Benefits Payable	87,471
Net Pension Liability	2,449,699
Net OPEB Liability	262,634
Total Long-term Liabilities	2,799,804
Total Liabilities	2,862,511
Deferred Inflows of Resources	
Pension	241,190
OPEB	325,212
Total Deferred Inflows of Resources	566,402
Net Position	
Net Investment in Capital Assets	683,361
Unrestricted (Deficit)	(1,138,565)
Total Net Position	($455,204)

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

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

	Business-Type Activity Adult Education Fund
Operating Revenues	
Tuition	$1,239,392
Sales	253,852
Other	207,060
Total Operating Revenues	1,700,304
Operating Expenses	
Salaries	1,366,691
Fringe Benefits:	
Pension Expense	198,413
OPEB Expense	2,375
Other Fringe Benefits	209,579
Purchased Services	207,077
Materials and Supplies	314,820
Depreciation	68,256
Other	624,922
Total Operating Expenses	2,992,133
Operating Loss	(1,291,829)
Non-Operating Revenues	
Federal and State Subsidies	1,157,667
Loss before Contributions	(134,162)
Capital Contributions	26,078
Net Change in Net Position	(108,084)
Net Position (Deficit) Beginning of Year	(347,120)
Net Position (Deficit) End of Year	($455,204)

See accompanying notes to the basic financial statements

Washington County Career Center, Ohio

Statement of Cash Flows

Enterprise Fund

For the Fiscal Year Ended June 30, 2021

	Business-Type Activity Adult Education Fund
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Customers	$1,572,323
Cash Received from Other Operating Revenues	207,060
Cash Payments for Other Operating Expenses	(625,752)
Cash Payments to Suppliers for Goods and Services	(500,444)
Cash Payments for Employee Services	(1,368,048)
Cash Payments for Employee Benefits	(406,300)
Net Cash Used for Operating Activities	(1,121,161)
Cash Flows from Noncapital Financing Activities	
Operating Grants Received	1,431,524
Cash Flows from Capital and Related Financing Activities	
Payments for Capital Acquisitions	(32,339)
Capital Contributions	26,078
Net Cash Used for Capital and Related Financing Activities	(6,261)
Net Increase in Cash and Cash Equivalents	304,102
Cash and Cash Equivalents at Beginning of Year	1,030,122
Cash and Cash Equivalents at End of Year	$1,334,224
Reconciliation of Operating Loss to Net Cash Used for Operating Activities	
Operating Loss	($1,291,829)
Depreciation	68,256
Changes in Assets and Liabilities:	
Decrease in Materials and Supplies Inventory	14,045
Decrease in Accounts Receivable	111,511
Decrease in Interfund Balances	2,695
Increase in Intergovernmental Receivable	(35,127)
Increase in Prepaids Items	(2,516)
Decrease in Deferred Outflows - Pension	356,325
Decrease in Deferred Outflows - OPEB	34,443
Increase in Accounts Payable	13,730
Decrease in Accrued Wages and Benefits Payable	(22,505)
Decrease in Intergovernmental Payable	(6,702)
Decrease in Vacation Benefits Payable	(17,111)
Increase in Sick Leave Benefits Payable	36,052
Decrease in Deferred Inflows - Pension	(309,213)
Decrease in Deferred Inflows - OPEB	(83,268)
Decrease in Net Pension Liability	(37,660)
Increase in Net OPEB Liability	47,713
Net Cash Used for Operating Activities	($1,121,161)

See accompanying notes to the basic financial statements

Note 1 - Description of the Career Center and Reporting Entity

The Washington County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of seven members, one from each of the following elected Boards of Education: Belpre City Board of Education, Marietta City Board of Education, Ohio Valley Educational Service Center, Fort Frye Local Board of Education, Frontier Local Board of Education, Warren Local Board of Education, and Wolf Creek Local Board of Education. The Career Center exposes students to job training leading to employment upon graduation from high school.

The Career Center was formed in 1967. The buildings are located on a 173.32 acre site and were opened for instruction in 1972. It is staffed by 25 classified employees and 34 certificated employees who provide services to 500 Washington County juniors and seniors, as well as to adult students through the adult education department evening classes and customized training for business and industry.

Reporting Entity

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

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

The Career Center participates in the Metropolitan Educational Technology Association and the Coalition of Rural and Appalachian Schools, which are defined as jointly governed organizations. These organizations are presented in Note 17. They are also associated with the Ohio School Plan, the Ohio School Boards Association Workers' Compensation Group Rating Program, and the Ohio School Benefits Cooperative, which are defined as insurance purchasing pools. These organizations are presented in Note 18.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

The Career Center'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 Career Center as a whole. These statements include the financial activities of the stand-alone government, except for fiduciary funds. The statements distinguish between those activities of the Career Center that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts, or other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the financial condition of the governmental and business-type activities of the Career Center at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Career Center'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, contributions, and interest 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 Career Center, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Career Center.

Fund Financial Statements During the fiscal year, the Career Center segregates transactions related to certain Career Center 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 Career Center at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type. The Career Center has no fiduciary funds.

B. Fund Accounting

The Career Center uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Career Center are divided into two categories: governmental and proprietary.

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

General Fund The General Fund accounts for and reports all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the Career Center for any purpose, provided it is expended or transferred according to the general laws of Ohio.

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

Proprietary Fund Types Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service. The Career Center has no internal service funds.

Enterprise Fund Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Career Center's only enterprise fund accounts for the operation of the Career Center's adult education program.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the Career Center 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 and current liabilities are generally 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.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position.

For proprietary funds, the statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Career Center finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

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

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. 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 Career Center, available means expected to be received within sixty days of fiscal year end.

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

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the Career Center, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB plans. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 14 and 15.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the Career Center, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the Career Center, unavailable revenue includes delinquent property taxes and intergovernmental revenues. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 14 and 15)

Expenses/Expenditures On the accrual basis, expenses are recognized at the time they are incurred.

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

E. Cash and Cash Equivalents

To improve cash management, cash received by the Career Center is pooled. Monies for all funds, except for the cash with fiscal agents, are maintained in this pool. Individual fund integrity is maintained through the Career Center's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2021, the Career Center was invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The Career Center measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of $100 million or more. STAR Ohio reserves the right to limit the transactions to $250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2021 amounted to $235,055, which includes $160,610 assigned from other Career Center funds.

The Career Center utilizes a financial institution to service principal and interest payments. The balance in this account is presented on the balance sheet as "restricted investments with fiscal agents" and represents federal agency securities.

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

F. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

G. Inventory

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

H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the fund financial statements. Capital assets utilized by the Adult Education Enterprise Fund are reported both in the business-type activity column of the government-wide statement of net position and in the fund.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. The Career Center was able to estimate the historical cost for the initial reporting of certain assets by back trending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The Career Center maintains a capitalization threshold of one thousand dollars. The Career Center does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

Description	Estimated Lives
Buildings and Improvements	75 - 100 years
Furniture and Equipment	5 - 48 years
Vehicles	5 - 23 years

I. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund balance amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances. The Career Center had no interfund receivables/payables or loans at fiscal year end.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension and OPEB items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position.

J. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other government, or imposed by law through constitutional provisions or enabling legislation. Restricted assets include amounts required by statute to be set-aside by the Career Center for unclaimed monies and cash held with fiscal agents for payment to the contractors under the Career Center's lease-purchase agreement.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Career Center will compensate the employees for the benefits through paid time off or some other means. The liability for vacation benefits is recorded as "vacation benefits payable", rather than long-term liabilities, as the balances are to be used by employees in the fiscal year following the fiscal year in which the benefit was earned.

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

The entire sick leave benefits liability is reported on the government-wide financial statements. On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the funds from which these payments will be paid.

L. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from the enterprise fund are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims, judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

M. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net positon 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.

N. Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one program to another or within the same program are eliminated on the statement of activities. Payments of interfund services provided and used are not eliminated.

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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

O. Fund Balance

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

> ***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash.
>
> ***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 determined by a formal action (resolution) of the Board of Education. Those committed amounts cannot be used for any other purpose unless the 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 the use in satisfying those contractual requirements.
>
> ***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Career Center 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 the Board of Education or a Career Center official delegated that authority by resolution or State statute.

Unassigned The unassigned fund balance is the residual classification for the General Fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balances.

The Career Center 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 the amounts in any of the unrestricted fund balance classifications could be used.

P. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The Career Center applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the Career Center, these revenues are charges for services for adult education programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenses not meeting this definition are reported as non-operating.

R. Extraordinary and Special Item

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

S. Estimates

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

T. Budgetary Process

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

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

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

Note 3 - Fund Balances

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

Fund Balances	General Fund	Other Governmental Funds	Total
Nonspendable:			
Prepaid Items	$19,145	$45	$19,190
Materials and Supplies Inventory	12,560	978	13,538
Unclaimed Monies	2,512	0	2,512
Total Nonspendable	34,217	1,023	35,240
Restricted for:			
Student Activites	0	80,218	80,218
Data Communication	0	1,800	1,800
Food Service Operations	0	101,366	101,366
Local Programs	0	166,767	166,767
Total Restricted	0	350,151	350,151
Committed to:			
Capital Purchases	14,749	681,472	696,221
Assigned to:			
Purchases on Order	24,769	0	24,769
Scholarships	4,032	0	4,032
Capital Improvements	0	360,017	360,017
Total Assigned	28,801	360,017	388,818
Unassigned (Deficit):	7,547,522	(37,123)	7,510,399
Total Fund Balances	$7,625,289	$1,355,540	$8,980,829

Note 4 - Change in Accounting Principle

For fiscal year 2021, the Career Center implemented Implementation Guide No. 2019-1. These changes were incorporated in the Career Center's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

Note 5 - Budgetary Basis of Accounting

While the Career Center is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budget Basis) presented for the General Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP (modified accrual) basis are as follows:

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

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability

is incurred (GAAP basis).

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

4 Budgetary revenues and expenditures of the Scholarship Fund are reclassified to the General Fund for GAAP reporting.

5. Unreported interest and prepaid items are reported on the GAAP basis but not on the budgetary basis.

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

Net Change in Fund Balance

GAAP Basis	$432,179
Net Adjustment for:	
Revenue Accruals	(80,061)
Expenditure Accruals	210,656
Beginning of Fiscal Year:	
Prepaid Items	34,158
Unreported Items	18,399
End of Fiscal Year:	
Prepaid Items	(19,145)
Unreported Items	(18,520)
Debt Principal	(68,249)
To reclassify excess of revenues over expenditures into financial statement fund types	1,000
Encumbrances	(89,383)
Budget Basis	$421,034

Note 6 - Deposits and Investments

Monies held by the Career Center are classified by State statute 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 Career Center Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

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

Interim monies held by the Career Center can 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 including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

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

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

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

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

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 Career Center, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. At fiscal year end, the Career Center had $300 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

Investments

Investments are reported at fair value. As of June 30, 2021, the Career Center's $19,573 investment in STAR Ohio, the State Treasurer's Investment Pool, has an average maturity of 54.4 days. The Career Center's other investments are as follows:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating
Fair Value - Level Two Inputs			
Federal Agriculture Management Corporation Notes	$1,142,126	12/30/2021	not available

The Career Center 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 chart identifies the Career Center's recurring fair value measurements as of June 30, 2021. The Career Center's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk The Career Center's investment policy addresses interest rate risk to the extent that it allows the Treasurer to invest funds to a maximum maturity of five years. The Treasurer cannot make investments which he does not reasonably believe can be held until the maturity date. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Career Center, and that an investment must be purchased with the expectation that it will be held to maturity. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk The credit ratings for the Career Center's securities are listed above. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual fund be rated in the highest category at the time of the purchase by at least one nationally recognized standard rating service. The Career Center has no investment policy that would further limit its investment choices.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Career Center will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Career Center has no investment policy dealing with investment custodial credit 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 7 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the Career Center. Real property tax revenue received in calendar 2021 represents collections of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed value listed as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute 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 2021 represents collections of calendar year 2020 taxes. Public utility real property taxes received in calendar year 2021 became a lien December 31, 2019, were levied after April 1, 2020 and are collected 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 Career Center receives property taxes from Washington, Athens, Morgan, and Noble Counties. The Washington County Auditor periodically advances to the Career Center its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2021, are available to finance fiscal year 2021 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

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

The amount available as an advance at June 30, 2021, was $67,212 and is recognized as revenue in the General Fund. The amount available as an advance to the General Fund at June 30, 2020, was $55,339. On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

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

	2020 Second-Half Collections		2021 First-Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential And Other Real Estate	$1,281,700,980	75.78%	$1,283,607,140	77.23%
Public Utility Personal	409,581,900	24.22%	378,461,500	22.77%
Total	$1,691,282,880	100.00%	$1,662,068,640	100.00%
Tax Rate per $1,000 of assessed valuation	$1.80		$1.80	

Note 8 - Interfund Transfers and Balances

A. Balances

Internal Balances – Change in Proportionate Share

The Career Center uses an internal proportionate share to allocate its net pension/OPEB liability and corresponding deferred outflows/inflows of resources and pension/OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the Career Center as a whole.

Eliminations made in the total column of the entity wide statement of net position related to pension include deferred outflows of resources for the business-type activities (related to the Adult Education Enterprise Fund) and deferred inflows of resources for the governmental type activities in the amount of $228,134.

Eliminations made in the total column of the entity wide statement of net position related to OPEB include deferred outflows of resources for the business-type activities (related to the Adult Education Enterprise Fund) and deferred inflows of resources for the governmental type activities in the amount of $229,045.

Other Internal Balances

At June 30, 2021, there were no interfund receivables and payables.

B. Transfers

The Career Center transferred $500,000 from the General Fund to the Permanent Improvement Capital Projects Fund and $10,000 to the Student Activities Special Revenue Fund to move unrestricted revenues collected in the General Fund to finance various projects and activities.

Note 9 - Significant Commitments

A. Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Governmental Activities:	
General Fund	$89,383
Other Governmental Funds	513,458
Total Governmental Funds	602,841
Business-Type Activity:	
Adult Education Enterprise Fund	18,713
Total	$621,554

B. Contractual Commitments

As of June 30, 2021, the Career Center's contractual purchase commitments are as follows:

Project	Contract Amount	Amount Expended	Balance at 06/30/21
Cafetorium Renovation:			
General Fund	$62,342	$53,198	$9,144
Permanent Improvement Capital Projects Fund	487,900	108,495	379,405
	$550,242	$161,693	$388,549

Note 10 - Receivables

Receivables at June 30, 2021, consisted of property taxes, accounts, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. Delinquent property taxes deemed collectible by the County Auditor and recorded as a receivable in the amount of $165,901 may not be collected within one year. All other receivables are expected to be collected within one year. A summary of principal items of intergovernmental receivables follows:

	Amounts
Governmental Activities:	
GEER Relief Fund	$73,429
Carl Perkins Secondary	26,998
Food Service	8,778
Foundation Adjustments	9,506
Total Governmental Activities	118,711
Business-Type Activity:	
Tuition	51,953
Total	$170,664

Note 11 - Capital Assets

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

	Balance 6/30/2020	Additions	Deductions	Balance 6/30/2021
Governmental Activities:				
Capital Assets:				
Capital Assets not being depreciated:				
Land	$89,120	$0	($141)	$88,979
Construction in Progress	75,539	294,990	(203,836)	166,693
Total Capital Assets not being depreciated	164,659	294,990	(203,977)	255,672
Depreciable Capital Assets:				
Buildings and Improvements	8,207,369	212,426	0	8,419,795
Furniture and Equipment	3,829,123	242,985	(38,689)	4,033,419
Vehicles	110,310	0	0	110,310
Total Capital Assets being Depreciated	12,146,802	455,411	(38,689)	12,563,524
Less Accumulated Depreciation				
Buildings and Improvements	(3,453,098)	(192,685)	0	(3,645,783)
Furniture and Equipment	(2,607,972)	(203,614)	37,961	(2,773,625)
Vehicles	(95,114)	(1,286)	0	(96,400)
Total Accumulated Depreciation	(6,156,184)	(397,585) *	37,961	(6,515,808)
Total Capital Assets being Depreciated, Net	5,990,618	57,826	(728)	6,047,716
Governmental Activities Capital Assets, Net	$6,155,277	$352,816	($204,705)	$6,303,388

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	$25,182
Vocational	153,268
Adult/Continuing	72,628
Support Services:	
Pupils	8,012
Instructional Staff	4,093
Administration	20,021
Fiscal	10,927
Operation and Maintenance of Plant	51,928
Central	46,690
Food Service	4,836
Total Depreciation Expense	$397,585

	Balance 6/30/2020	Additions	Deductions	Balance 6/30/2021
Business-Type Activity:				
Capital Assets:				
Buildings and Improvements	$787,289	$0	$0	$787,289
Furniture and Equipment	502,286	32,339	(9,234)	525,391
Vehicles	161,238	0	0	161,238
Total Capital Assets	1,450,813	32,339	(9,234)	1,473,918
Less Accumulated Depreciation				
Buildings and Improvements	(306,632)	(33,177)	0	(339,809)
Furniture and Equipment	(395,517)	(28,383)	9,234	(414,666)
Vehicles	(29,386)	(6,696)	0	(36,082)
Total Accumulated Depreciation	(731,535)	(68,256)	9,234	(790,557)
Business-Type Activity Capital Assets, Net	$719,278	($35,917)	$0	$683,361

Note 12 - Risk Management

A. Property and Liability

The Career Center is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2021, the Career Center contracted with the following insurance company for coverage:

Ohio School Plan. through	
Schwendeman Agency Inc.:	
Automobile Liability	$1,000,000
Comprehensive ($250 deductible)	
Collisions ($500 deductible)	
Building and Contents - replacement cost ($1,000 deductible)	37,402,826
Equipment Breakdown ($1,000 deductible)	37,402,826
General Liability:	
Each Occurrence	1,000,000
Aggregate Limit	3,000,000
Crime ($1,000 Deductible):	
Theft / Forgery or Alteration / Computer Fraud / Funds Transfer Fraud	$100,000

Fiduciary Liability ($2,500 Deductible):	
Each Occurrence	1,000,000
Aggregate Limit	3,000,000
Employers' Liability:	
Each Occurrence	1,000,000
Each Employee	1,000,000
Educational Legal Liability ($2,500 Deductible):	
Errors and Omissions/Aggregate	1,000,000/3,000,000
Employment Practices/Aggregate	1,000,000/3,000,000

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

B. Workers' Compensation

For fiscal year 2021, the Career Center participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 18). The intent of the GRP is to achieve the benefit of a reduced premium for the Career Center by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating Career Centers is calculated as one experience and a common premium rate is applied to all Career Centers in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to Career Centers that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control, and actuarial services to the GRP.

Note 13 - Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators earn ten to twenty days of vacation per fiscal year, depending upon length of service. No more than two years of vacation is permitted to be carried forward and should be used in the fiscal year following accrual. Teachers do not earn vacation time. Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to 270 days. Upon retirement, employees receive payment equal to the percentages as stated below:

> One-fourth of their accrued but unused sick leave to a maximum 68 days for employees having less than fifteen years of service.
>
> Thirty percent of their accrued but unused sick leave to a maximum 81 days for employees having fifteen or more years of service.

B. Insurance

The Career Center provides medical/surgical insurance through Ohio School Benefits Cooperation for all eligible employees. The Career Center pays 95 percent of the cost of both the individual plan and the monthly family coverage premiums for the plan selected by the employee. Premiums are paid from the same funds that pay the employees' salaries.

The Career Center pays the total cost for life, dental, and vision insurance for its employees. Life insurance and accidental death and dismemberment insurance is provided through One America, dental insurance is provided through Delta Dental, and vision insurance is provided through Vision Service Plan.

Note 14 - Defined Benefit Pension Plans

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

A. Net Pension Liability/Net OPEB Liability

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/OPEB are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* 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 15 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description – Career Center's non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, 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 years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension 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. In 2020, the Board of Trustees approved a 0.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2021.

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

The Career Center's contractually required contribution to SERS was $191,400 for fiscal year 2021. Of this amount, $3,925 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – Career Center 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. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five year of service credit and age 65, or 35 years of service credit and at least age 60.

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

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2021 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2021, the full employer contribution was allocated to pension.

The Career Center is contractually required contribution to STRS was $538,630 for fiscal year 2021. Of this amount, $56,965 is reported as an intergovernmental payable.

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

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

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Prior Measurement Date	0.03621290%	0.03103539%	
Current Measurement Date	0.03705720%	0.02904389%	
Change in Proportionate Share	0.00084430%	-0.00199150%	
Proportionate Share of the Net Pension Liability	$2,451,041	$7,027,588	$9,478,629
Pension Expense	$293,317	$761,100	$1,054,417

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$4,761	$15,768	$20,529
Changes of assumptions	0	377,246	377,246
Net difference between projected and actual earnings on pension plan investments	155,591	341,752	497,343
Changes in proportionate Share and difference between Career Center contributions and proportionate share of contributions	26,047	136,370	162,417
Career Center contributions subsequent to the measurement date	191,400	538,630	730,030
Total Deferred Outflows of Resources	$377,799	$1,409,766	$1,787,565
Deferred Inflows of Resources			
Differences between expected and actual experience	$0	$44,937	$44,937
Changes in Proportionate Share and Difference between Career Center contributions and proportionate share of contributions	28,087	360,644	388,731
Total Deferred Inflows of Resources	$28,087	$405,581	$433,668

$730,030 reported as deferred outflows of resources related to pension resulting from Career Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	($11,871)	$168,323	$156,452
2023	$56,616	72,219	128,835
2024	64,854	153,869	218,723
2025	48,713	71,144	119,857
Total	$158,312	$465,555	$623,867

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, 2019, are presented below:

Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

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

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

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

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

Discount Rate The total pension liability was calculated using the discount rate of 7.50 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 (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the Career Center's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 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 (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	$3,357,627	$2,451,041	$1,690,398

Actuarial Assumptions - STRS

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

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Discount Rate of Return	7.45 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

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

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

STRS' 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	Allocation *	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 percent, but does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

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

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

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	$10,006,062	$7,027,588	$4,503,579

B. 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, 2021, three Board Members has elected Social Security. The contribution rate is 6.2 percent of wages.

Note 15 - Defined Benefit OPEB Plans

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

Plan Description - School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was $23,000. 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 2021, the Career Center's surcharge obligation was $14,676.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The Career Center's contractually required contribution to SERS was $14,676 for fiscal year 2021. Of this amount $14,676 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. 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 benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2021, STRS did not allocate any employer contributions to post-employment health care

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

The net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The Career Center's proportion of the net OPEB liability (asset) was based on the Career Center's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	
Proportion of the Net OPEB Liability:			
Prior Measurement Date	0.03569110%	0.03103539%	
Current Measurement Date	0.03554240%	0.02904389%	
Change in Proportionate Share	-0.00014870%	-0.00199150%	
Proportionate Share of the:			Total
Net OPEB Liability	$772,453	$0	$772,453
Net OPEB (Asset)	$0	($510,446)	($510,446)
OPEB Expense	($3,404)	($32,125)	($35,529)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$10,145	$32,707	$42,852
Changes of assumptions	131,676	8,426	140,102
Net difference between projected and actual earnings on OPEB plan investments	8,704	17,889	26,593
Changes in proportionate Share and difference between Career Center contributions and proportionate share of contributions	66,978	8,078	75,056
Career Center contributions subsequent to the measurement date	14,676	0	14,676
Total Deferred Outflows of Resources	$232,179	$67,100	$299,279
Deferred Inflows of Resources			
Differences between expected and actual experience	$392,846	$101,673	$494,519
Changes of assumptions	19,456	484,838	504,294
Changes in Proportionate Share and Difference between Career Center contributions and proportionate share of contributions	99,092	12,058	111,150
Total Deferred Inflows of Resources	$511,394	$598,569	$1,109,963

$14,676 reported as deferred outflows of resources related to OPEB resulting from Career Center's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	($54,340)	($133,586)	($187,926)
2023	(53,711)	(121,477)	(175,188)
2024	(53,814)	(117,228)	(171,042)
2025	(64,566)	(111,510)	(176,076)
2026	(51,615)	(22,538)	(74,153)
2027	(15,845)	(25,130)	(40,975)
Total	($293,891)	($531,469)	($825,360)

Actuarial Assumptions - SERS

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

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

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

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

Inflation	3.00 percent
Wage Increases	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	2.25 percent
Prior Measurement Date	3.13 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	2.63 percent
Prior Measurement Date	3.22 percent
Medical Trend Assumption	
Medicare	5.25 to 4.75 percent
Pre-Medicare	7.00 to 4.75 percent

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

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

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

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

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

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

	1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
School District's proportionate share of the net OPEB liability	$945,463	$772,453	$634,910

	1% Decrease (6.00 % decreasing to 3.75%)	Trend Rate (7.00 % decreasing to 4.75%)	1% Increase (8.00 % decreasing to 5.75%)
School District's proportionate share of the net OPEB liability	$608,248	$772,453	$992,037

Actuarial Assumptions – STRS

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

Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3 percent
Discount Rate of Return	7.45 percent
Health Care Cost Trends	
Medical	
Pre-Medicare	5.00 percent initial, 4 percent ultimate
Medicare	4.93 percent initial, 4 percent ultimate
Prescription Drug	
Pre-Medicare	6.50 percent initial, 4 percent ultimate
Medicare	11.87 initial, 4 percent ultimate

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

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

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

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

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

Discount Rate The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS 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, 2020. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was used to measure the total OPEB liability as of June 30, 2020.

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

	1% Decrease (6.45%)	Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net OPEB asset	($444,121)	($510,446)	($566,720)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	($563,227)	($510,446)	($446,151)

Note 16 - Long-Term Obligations

The changes in the Career Center’s long-term during the fiscal year consist of the following:

	Principal Outstanding 6/30/20	Additions	Reductions	Principal Outstanding 6/30/21	Amounts Due in One Year
Governmental Activities:					
Qualified Zone Academy Bonds - Direct Plaement - 0% July 1, 2007, $1,225,000	$1,225,000	$0	$0	$1,225,000	$0
Net Pension Liability:					
STRS	5,490,632	0	79,389	5,411,243	0
SERS	1,365,009	252,678	0	1,617,687	0
Total Net Pension Liability	6,855,640	252,678	79,389	7,028,930	0
Net OPEB Liability - SERS	565,460	0	55,641	509,819	0
Sick Leave Benefits	616,362	81,886	40,587	657,661	46,343
Total Governmental Activities	$9,262,462	$334,564	$175,617	$9,421,410	$46,343
Business-Type Activity:					
Net Pension Liability:					
STRS	$1,372,659	$243,687	$0	$1,616,345	$0
SERS	801,672	31,682	0	833,354	0
Total Net Pension Liability	2,174,331	275,369	0	2,449,699	0
Net OPEB Liability - SERS	332,096	0	69,462	262,634	0
Sick Leave Benefits	51,419	36,052	0	87,471	0
Total Business-Type Activities	$2,557,846	$311,421	$69,462	$2,799,804	$0

Sick leave benefits will be paid from the General Fund, the Food Service and Miscellaneous Federal Grants Special Revenue Funds, and the Adult Education Enterprise Fund. There are no repayment schedules for the net pension and net OPEB liabilities. However, employee pension contributions are made from the following funds: the General Fund, the Food Service and Miscellaneous Federal Grants Special Revenue Funds, and the Adult Education Enterprise Fund. For additional information related to the net pension and net OPEB liabilities, see Notes 14 and 15.

On July 1, 2007, the Career Center issued $1,225,000 qualified zone academy (direct placement) bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34), for roof repairs. The QZAB matures in 2022, with the entire principal balance coming due at maturity. The QZAB does not bear interest and is secured with collateral representing the Career Center's two instructional buildings with an estimated market value of $2,672,880 which was based on the assessed property value as of February, 2020. To satisfy escrow requirements of the program, the Career Center placed $1,225,000 in a debt service sinking escrow account for future payment of the bonds with US Bank, the fiscal agent. The escrow account will be invested with all of the proceeds to be used for the final payoff of the bonds in 2022. Along with the investment earnings of the escrow account, the Career Center is required to place $68,249, annually into the debt service sinking escrow account that will be used for the final bond repayment in 2022. The value of the escrow account is recorded as restricted investments with fiscal agents in the General Fund. The bonds contain provisions that in an event of default, (1) the Career Center will promptly return possession of the personal property or vacate the property, at the fiscal agent's option; or (2) the fiscal agent can sell its interest in the property; or (3) the amounts in escrow will be paid immediately.

The overall debt margin of the Career Center as of June 30, 2021, was $149,541,716, with an unvoted debt margin of $1,661,575.

Note 17 - Jointly Governed Organizations

A. Metropolitan Educational Technology Association (META)

The Career Center participates in the Metropolitan Educational Technology Association (META), formed from the merger of the Metropolitan Educational Council (MEC) and the Southeastern Ohio Voluntary Education Cooperative (SEOVEC) during fiscal year 2016, which is a jointly governed organization, created as a regional council of governments pursuant to Chapter 167 of the Ohio Revised Code. META operates as, and has all the powers of, a data acquisition site/information technology center pursuant to applicable provisions of the Ohio Revised Code. The organization was formed for the purpose of identifying, developing, and providing to members and nonmembers innovative educational and technological services and products, as well as expanded opportunities for cooperative purchasing. The General Assembly of META consists of one delegate from every member Career Center. The delegate is the superintendent of the Career Center or the superintendent's designee. The degree of control exercised by any participating Career Center is limited to its representation on the General Assembly. The General Assembly exercises total control over the operation of META including budgeting, appropriating, contracting, and designating management. During 2021, the Career Center paid $48,368 for services with META/MEC/SEOVEC. Financial information can be obtained from Metropolitan Educational Technology Association at 100 Executive Drive, Marion, Ohio 43302.

B. Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (CORAS) is a jointly governed organization composed of over 130 school districts and other educational institutions in the 35-county region of Ohio designated as Appalachia. The Coalition is operated by a board which is composed of seventeen members. One elected and one appointed from each of the seven regions into which the 35 Appalachian counties are divided; and three from Ohio University College of Education. The board exercised total control over the operations of CORAS including budgeting, appropriating, contracting, and designating management. Each participant's control is limited to its representation on the board. The Coalition provides various in-service training programs for school district administrative personnel; gathers data regarding the level of education provided to children in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Coalition is not dependent on the continued participation of the Career Center and the Career Center does not maintain an equity interest in or financial responsibility for the Coalition. Financial information may be obtained from the Coalition of Rural and Appalachian Schools at Lindley Hall Room 200, Ohio University, Athens, Ohio 45701.

Note 18 - Insurance Purchasing Pools

A. Ohio School Plan

The Career Center participates in the Ohio School Plan (OSP), an insurance purchasing pool. The Ohio School Plan (OSP) is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs, and other administrative services. The OSP's business and affairs are conducted by a thirteen member Board of directors consisting of Career Center superintendents and treasurers, as well as the president of Harcum-Hyre Insurance Agency, Inc. and a partner of the Hylant Group, Inc. Hylant Group, Inc. is the Administrator of the OSP and is responsible for processing claims. Harcum-Hyre Insurance Agency, Inc. is the sales and marketing representative, which establishes agreements between OSP and member schools.

B. Ohio School Boards Association Workers' Compensation Group Rating Program

The Career Center participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect, and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating Career Centers pay an enrollment fee to the GRP to cover the costs of administering the program.

C. Ohio School Benefits Cooperative

The Career Center participates in the Ohio School Benefits Cooperative, a claims servicing and group purchasing pool. The Ohio School Benefits Cooperative (OSBC) is created and organized pursuant to and as authorized by Section 9.833 of the Ohio Revised Code. OSBC is governed by a nine member Board of Directors, all of whom must be Career Center and/or educational service center administrators. The Muskingum Valley Educational Service Center serves as the fiscal agent for OSBC. OSBC is an unincorporated, non-profit association of its members which was created for the purpose of enabling members of the Plan to maximize benefits and/or reduce costs of medical, prescription drug, vision, dental, life and/or other group insurance coverage for their employees, and the eligible dependents and designated beneficiaries of such employees.

Participants pay an initial $500 membership fee to OSBC. OSBC offers two options to participants. The first option is that participants may enroll in the joint insurance purchasing program for medical, prescription drug, vision dental and/or life insurance. A second option is available for self-insured participants that provides for the purchase of stop loss insurance coverage through OSBC's third party administrator. The Career Center participates in the first option. The OSBC's business and affairs are conducted by a nine member Board of Directors consisting of Career Center and/or educational service center administrators elected by the members of the OSBC. Medical Mutual/Antares is the Administrator of the OSBC.

Note 19 - Contingencies

A. Grants

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

B. Litigation

The Career Center is currently not party to legal proceedings.

C. School Foundation

In fiscal year 2021, Career Center foundation funding was 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, additional ODE adjustments for fiscal year 2021 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2021 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the Career Center.

Note 20 - Set-Asides

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

Effective April 10, 2001, through Amended Substitute Senate Bill 345, the requirement for Career Centers to establish and appropriate money for the budget stabilization was deleted from law. A Career Center may still establish reserve balance accounts consistent with Section 5705.13, Revised Code, if it so chooses; however, the requirement is no longer mandatory. In addition, any money on hand in a Career Center's budget reserve set-aside as of April 10, 2001, may at the discretion of the board be returned to the district's General Fund or may be left in the account and used by the board to offset any budget deficit the district may experience in future fiscal years. The bill placed special conditions on any Bureau of Workers' Compensation monies remaining in the budget reserve.

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

	Capital Improvements
Set-aside Balance as of June 30, 2020	$0
Current Year Set-aside Requirement	92,166
Offsetting Credits	(500,000)
Qualifying Disbursements	(88,438)
Total	($496,272)
Set-aside Balance Carried Forward to Future Fiscal Years	$0

The Career Center had qualifying disbursements during the fiscal year that reduced the set-aside amount below zero. The excess in the capital maintenance set-aside may not be carried forward to reduce the set-aside requirement in future fiscal years.

Note 21 - Fund Deficits

The Marietta Community Foundation, the State Grant, and Federal Grant Special Revenue Funds had deficit fund balances as of June 30, 2021, of $494, $18,823 and $17,772. Also the Adult Education Enterprise Fund had a deficit fund balance as of June 30, 2021, of $455,204. The deficit is the result of over-expended resources and the recognition of payables in accordance with generally accepted accounting principles. The General Fund provides transfers to cover deficit balances in the special revenue funds; however, this is done when cash is needed rather than when accruals occur.

Note 22 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021 while the national state of emergency continues. During fiscal year 2021, the Career Center received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. The Career Center's investment portfolio and the investments of the pension and other employee benefit plans in which the Career Center participates fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Career Center's future operating costs, revenues, and any 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 23 - Tax Abatements

The Career Center property taxes were reduced as follows under community reinvestment area and enterprise zone agreements entered into by overlapping governments:

Washington County	Amount of Fiscal Year 2020 Taxes Abated
Community Reinvestment Areas:	
Hipodrome/Colony Historical Theatre	$431
Perry and Associates	925
Enterprise Zone Tax Exemptions:	
Washington Co-op	787

Note 24 - Subsequent Events

For fiscal year 2022, the Career Center foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, open enrollment funding will be directly funded by the State of Ohio to the respective educating schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the Career Center were funded to the Career Center who, in turn, made the payment to the educating school. This new funding system calculates a unique base cost for each school district. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

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Washington County Career Center, Ohio

Required Supplementary Information

Schedule of the Career Center's Proportionate Share of the Net Pension Liability

School Employees Retirement System of Ohio

*Last Eight Fiscal Years (1)**

	2021	2020	2019
Career Center's Proportion of the Net Pension Liability	0.03705720%	0.03621290%	0.03883650%
Career Center's Proportionate Share of the Net Pension Liability	$2,451,041	$2,166,681	$2,224,240
Career Center's Covered Payroll	$1,294,043	$1,246,978	$1,253,363
Career Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	189.41%	173.75%	177.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%	70.85%	71.36%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each fiscal year.

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

See accompanying notes to the required supplementary information

2018	2017	2016	2015	2014
0.03417730%	0.03484020%	0.03421260%	0.03254200%	0.03254200%
$2,042,019	$2,549,981	$1,952,205	$1,646,932	$1,935,169
$1,119,029	$1,065,064	$1,032,845	$944,863	$871,954
182.48%	239.42%	189.01%	174.30%	221.93%
69.50%	62.98%	69.16%	71.70%	65.52%

Washington County Career Center, Ohio

Required Supplementary Information

Schedule of the Career Center's Proportionate Share of the Net Pension Liability

State Teachers Retirement System of Ohio

*Last Eight Fiscal Years (1)**

	2021	2020	2019
Career Center's Proportion of the Net Pension Liability	0.02904389%	0.03103539%	0.02977540%
Career Center's Proportionate Share of the Net Pension Liability	$7,027,588	$6,863,290	$6,546,942
Career Center's Covered Payroll	$3,538,764	$3,652,871	$3,403,971
Career Center's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	198.59%	187.89%	192.33%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.50%	77.40%	77.30%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each fiscal year.

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

See accompanying notes to the required supplementary information

2018	2017	2016	2015	2014
0.02969002%	0.03009484%	0.03118112%	0.03122511%	0.03122511%
$7,052,928	$10,073,651	$8,617,549	$7,595,027	$9,047,147
$3,265,714	$3,427,493	$3,256,807	$3,189,300	$3,353,531
215.97%	293.91%	264.60%	238.14%	269.78%
75.30%	66.80%	72.10%	74.70%	69.30%

Washington County Career Center, Ohio

Required Supplementary Information

Schedule of the Career Center's Proportionate Share of the Net OPEB Liability

School Employees Retirement System of Ohio

Last Five Fiscal Years (1)

	2021	2020	2019	2018	2017
Career Center's Proportion of the Net OPEB Liability	0.03554240%	0.03569110%	0.03924800%	0.03455120%	0.03525290%
Career Center's Proportionate Share of the Net OPEB Liability	$772,453	$897,556	$1,088,845	$927,263	$1,004,838
Career Center's Covered Payroll	$1,294,043	$1,246,978	$1,253,363	$1,119,029	$1,065,064
Career Center's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	59.69%	71.98%	86.87%	82.86%	94.35%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each fiscal year.

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

See accompanying notes to the required supplementary information

Washington County Career Center, Ohio
Required Supplementary Information
Schedule of the Career Center's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Five Fiscal Years (1)

	2021	2020	2019	2018	2017
Career Center's Proportion of the Net OPEB Liability	0.02904389%	0.03103539%	0.02977540%	0.02969002%	0.03009484%
Career Center's Proportionate Share of the Net OPEB Liability (Asset)	($510,446)	($514,021)	($478,461)	$1,158,395	$1,609,480
Career Center's Covered Payroll	$3,538,764	$3,652,871	$3,403,971	$3,265,714	$3,427,493
Career Center's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-14.42%	-14.07%	-14.06%	35.47%	46.96%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	182.10%	174.70%	176.00%	47.10%	37.30%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each fiscal year.

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

See accompanying notes to the required supplementary information

Washington County Career Center, Ohio
Required Supplementary Information
Schedule of the Career Center's Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	2021	2020	2019	2018
Net Pension Liability				
Contractually Required Contribution	$191,400	$181,166	$168,342	$169,204
Contributions in Relation to the Contractually Required Contribution	(191,400)	(181,166)	(168,342)	(169,204)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Career Center Covered Payroll (1)	$1,367,143	$1,294,043	$1,246,978	$1,253,363
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.50%	13.50%
Net OPEB Liability				
Contractually Required Contribution (2)	$14,676	$9,061	$21,365	$26,797
Contributions in Relation to the Contractually Required Contribution	(14,676)	(9,061)	(21,365)	(26,797)
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Covered Payroll	1.07%	0.70%	1.71%	2.14%
Total Contributions as a Percentage of Covered Payroll (2)	15.07%	14.70%	15.21%	15.64%

(1) The Career Center's covered payroll is the same for Pension and OPEB.
(2) Includes Surcharge

See accompanying notes to the required supplementary information

2017	2016	2015	2014	2013	2012
$156,664	$149,109	$136,129	$130,958	$120,678	$114,698
(156,664)	(149,109)	(136,129)	(130,958)	(120,678)	(114,698)
$0	$0	$0	$0	$0	$0
$1,119,029	$1,065,046	$1,032,845	$944,863	$871,954	$852,772
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%
$18,226	$17,607	$26,398	$14,954	$13,094	$17,993
(18,226)	(17,607)	(26,398)	(14,954)	(13,094)	(17,993)
$0	$0	$0	$0	$0	$0
1.63%	1.65%	2.56%	1.58%	1.50%	2.11%
15.63%	15.65%	15.74%	15.44%	15.34%	15.56%

Washington County Career Center, Ohio
Required Supplementary Information
Schedule of the Career Center's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2021	2020	2019	2018
Net Pension Liability				
Contractually Required Contribution	$538,630	$495,427	$511,402	$476,556
Contributions in Relation to the Contractually Required Contribution	(538,630)	(495,427)	(511,402)	(476,556)
Contribution Deficiency (Excess)	$0	$0	$0	$0
Career Center Covered Payroll	$3,847,357	$3,538,764	$3,652,871	$3,403,971
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
Net OPEB Liability				
Contractually Required Contribution	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contribution	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
Total Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

2017	2016	2015	2014	2013	2012
$457,200	$479,849	$455,953	$414,609	$435,959	$480,773
(457,200)	(479,849)	(455,953)	(414,609)	(435,959)	(480,773)
$0	$0	$0	$0	$0	$0
$3,265,714	$3,427,493	$3,256,807	$3,189,300	$3,353,531	$3,698,254
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%
$0	$0	$0	$31,893	$33,535	$36,983
0	0	0	(31,893)	(33,535)	(36,983)
$0	$0	$0	$0	$0	$0
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Net Pension Liability

Changes in Assumptions – SERS

Beginning in fiscal year 2018, an assumption of 2.5 percent was used for COLA or Ad Hoc Cola. Prior to 2018, an assumption of 3 percent was used.

Beginning with fiscal year 2017, amounts reported incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in fiscal year 2016 and prior are presented below:

	Fiscal Year 2017	Fiscal Year 2016 and Prior
Wage Inflation	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning with fiscal year 2017, mortality assumptions use mortality rates that are 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. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions - STRS

Beginning with fiscal year 2018, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2017 and prior are presented below:

	Fiscal Year 2018	Fiscal Year 2017 and Prior
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, ,2013, or later, 2 percent COLA commences on fifth anniversary of retirement date.

Beginning with fiscal year 2018, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Net OPEB Liability

Changes in Assumptions – SERS

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

Municipal Bond Index Rate:	
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

For fiscal year 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 to 7.45 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.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

Changes in Benefit Terms – STRS OPEB

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

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

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

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

WASHINGTON COUNTY CAREER CENTER
WASHINGTON COUNTY

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

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	2021	$ 9,578
Cash Assistance:			
COVID-19 School Breakfast Program	10.553	2021	2,108
School Breakfast Program	10.553	2021	49,684
COVID-19 National School Lunch Program	10.555	2021	12,459
National School Lunch Program	10.555	2021	140,117
Cash Assistance Subtotal			204,368
Total Child Nutrition Cluster			213,946
Total U. S. Department of Agriculture			213,946
U.S. DEPARTMENT OF TREASURY			
Passed-Through Ohio Department of Education			
Coronavirus Relief Fund	21.019	2021	14,989
Passed-Through Ohio Office of Budget and Management			
Coronavirus Relief Fund	21.019	2021	15,212
Total Coronavirus Relief Fund			30,201
Total U.S. Department of Treasury			30,201
U.S. DEPARTMENT OF EDUCATION			
Direct from Federal Government:			
Federal Pell Grant Program - Student Financial Assistance Cluster	84.063	2021	295,744
Education Stabilization Fund (CARES Act)			
Passed-Through Ohio Department of Education			
Governor's Emergency Education Relief Fund	84.425C	2021	89,584
Direct from Federal Government:			
Higher Education Emergency Relief Fund for Students	84.425E	2021	146,771
Higher Education Emergency Relief Fund for Institutions	84.425F	2021	60,576
Higher Education Emergency Relief Fund for the Improvement of Post Secondary Education	84.425N	2021	116,853
Total Education Stabilization Fund			413,784
Passed Through Ohio Department of Education			
Adult Education - Basic Grants to State	84.002	2020	8,129
		2021	90,560
Total Adult Education - Basic Grants to State			98,689
Career and Technical Education - Basic Grants to States	84.048	2020	16,117
		2021	191,362
Total Career and Technical Education - Basic Grants to States			207,479
Small Rural School Achievement Grant	84.358	2021	13,617
Total U.S. Department of Education			1,029,313
Total Expenditures of Federal Awards			**$ 1,273,460**

The accompanying notes are an integral part of this Schedule.

WASHINGTON COUNTY CAREER CENTER
WASHINGTON COUNTY

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

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Washington County Career Center, Washington County, Ohio (the Career Center) under programs of the federal government for the year ended June 30, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Career Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Career Center.

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

NOTE E – FOOD DONATION PROGRAM

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

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

Washington County Career Center
Washington County
21740 State Route 676
Marietta, Ohio 45750

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington County Career Center, Washington County, Ohio (the Career Center), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Career Center's basic financial statements and have issued our report thereon dated December 21, 2021 wherein we noted the financial impact of COVID-19 and the continuing emergency measures, which may impact subsequent periods of the Career Center.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2021

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

Washington County Career Center
Washington County
21740 State Route 676
Marietta, Ohio 45750

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Washington County Career Center, Washington County, Ohio (the Career Center), compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Washington County Career Center's major federal program for the year ended June 30, 2021. The *Summary of Auditor's Results* in the accompanying Schedule of Findings identifies the Career Center's major federal program.

Management's Responsibility

The Career Center's management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Career Center's compliance for the Career Center's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Career Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Keith Faber
Auditor of State
Columbus, Ohio

December 21, 2021

WASHINGTON COUNTY CAREER CENTER
WASHINGTON COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2021

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Federal Pell Grant Program (PELL) – CFDA #84.063
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee under 2 CFR § 200.520?**	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE
KEITH FABER

WASHINGTON COUNTY CAREER CENTER

WASHINGTON 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 12/30/2021

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